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The mini-mum?

Japanese propose a car for commuting

The Japan Small Vehicle Assn., which includes makers of 550-cc midget cars, is proposing an even smaller class for Japan—cars with 250-cc engines. The class prototype shown here is 79 inches long, 39.4 inches wide and 55 inches high. Projected weight is 550 pounds. The car's second seat, for the passenger, is a lowback, staggered to the rear.

IRS proposal would peril 'open-end' lease business

By Jake Kelderman
Washington Staff Writer

WASHINGTON. — The economic well being of the auto leasing business, one of the few bright spots in what have otherwise been a dismal few years in the car business, could be in for a devastating blow under changes being proposed by the Internal Revenue Service.

In a rulemaking proposal issued last week, the IRS said that in the future it will not consider an "open end" auto lease for business purposes to be a lease but rather the equivalent of a "conditional sale."

The lessor thus would not be entitled to the investment tax credit and depreciation allowances normally granted under leasing arrangements.

About 80 percent of all leasing companies use open-end leases, wherein the lessee usually agrees to pay a certain monthly fee in addition to all insurance and repair and maintenance costs.

The lessee also pays the difference between the wholesale value of the car and the estimated depreciated value at the end of the lease period if the former is less. This is the so-called terminal rental adjustment clause or TRAC.

Open-end leases generally are less costly to the lessee than "closed end" leases because of the tax credits and the adjustment agreement governing the end of the lease period.

• They have been common for nearly 30 years. But for nearly that long, the IRS has looked somewhat askance at them, and over the years it has brought selective actions against lessors using them on the grounds that such leases are not really leases but conditional sales contracts.

The leasing industry, though, thought it had successfully fought off this threat last year when Congress passed Section 210 of the Tax Equity and Fiscal Responsibility Act.

It prohibits the IRS from taking into account the existence of a Terminal Rental Adjustment Clause (TRAC) in determining whether an agreement is a lease. But somewhere between the drafting and passage of the Section, what was to have been a bar to retroactive activity by the IRS regarding open-end leases, turned into an opportunity for the IRS to finally have its way on the issue. This was made possible by the qualifying phrase: "In the absence of a regulation or law to the contrary."

IRS's current proposal would do just what the leasing companies had hoped to prevent. It would consider the existence of a TRAC in determining whether an agreement is a lease or a conditional sale, at least for those agreements entered into after Nov. 23, 1982 (e.g. a "law to the contrary").

• According to experts in the leasing business, the result of the IRS's move will be to force lease companies back to using

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Can Americans learn to love the minicar?

LAFAYETTE, Ind.—A three-year study that could change the way America uses the automobile has been launched by the Purdue University Automotive Transportation Center.

Termed the Purdue Automobile Productivity Project, the study seeks to demonstrate more efficient ways to make use of the private car—specifically the micro-mini, or urban commuter.

The $750,000 project, funded by the Eli Lilly Foundation, is using 27 imported minicars as "hardware."

These vehicles, in the 500-cc-to-1-liter class, are split into two fleets. Twenty cars are in the consumer fleet and seven are in the engineering fleet.

Involved are Daihatsu Cuore, Suzuki Alto, Subaru Rex, Volkswagen Polo, BL Metro and Citroen Enterprise.

The consumer fleet is made up of Suzuki Alto and Daihatsu Cuore models. Upgraded Altos (Suzuki M-cars) are the cars GM will buy from the Japanese maker for resale in the U. S.

Dr. Tom Sparrow, director of the project, points out that 80 percent of all passenger-car trips are made with just one person in the car.

With this statistic in mind, the Purdue project aims to demonstrate that a two-car family would be much more efficient with one micro-mini and one big car rather than with two mediums. In other words, the project seeks to make the private car more productive.

The Purdue project also is testing the so-called "shared-fleet" concept. The scenario has individual families owning minicars and sharing ownership in a small fleet of other types—big cars, vans, pickups, etc. Each minicar owner would have the right to use a vehicle from the shared fleet a limited number of days per month. An alternative would be for the shared fleet to be made up of rental cars.

Sparrow said the consumer fleet will be tested by "selected university families." They will pay a modest fee for the use of the micro, and will use the car under a set of stringent restrictions.

• These involve avoidance of high-speed driving, limitation of range to urban surroundings and use in a pure commuter sense.

The Purdue study will attempt to determine whether Americans can follow the re-

Continued on Page 8, Col. 1

Furious Claybrook lashes Peck for approach to data gathering

NHTSA called 'subsidiary' of Detroit

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — Charges that NHTSA has become the "wholly owned subsidiary" of the auto industry made by Joan Claybrook (former NHTSA head) were called "absolutely unfounded" at a House hearing by Michael Finkelstein, in the absence of Raymond Peck (current NHTSA head).

At issue was whether NHTSA's new program of coordinating and possibly "cooperative" research work between the government and industry is really a "secret conspiracy" to abandon rulemaking in favor of protracted research, to concentrate only on what the auto makers might not oppose, and to abandon the Research Safety Vehicle program and the new-car assessment program, sometimes referred to as high-speed crash testing.

Claybrook, NHTSA head in the Carter Administration, has accused the agency under Peck of ignoring the law, scientific facts, nonpartisan traditions and its own staff recommendations.

The former official, now head of Public Citizen, a Ralph Nader organization, said NHTSA's research section (headed by Finkelstein, who had been Claybrook's chief standard writer) had abandoned its own independent role, started a secret "cooperative" research project with the industry, had discontinued all fuel economy research and dropped the RSV program.

• Throughout hours of fiery testimony and accusations, the real target—Ray Peck—was at a meeting of the Presidential Drunk Driving Commission but by week's end, he was expected

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breaking news

German prices set for BMW 3-series cars

MUNICH.—BMW has set preliminary prices for its new 3-series automobiles. The home market prices are the equivalent of $7,893 for the 316, $8,835 for the 318, $10,066 for the 320 and $11,234 for the 323i. The 320i replacement will go on sale in the U. S. in May. No price has been established yet for the U. S. market.

Low-priced Mercedes 190 introduced

STUTTGART. — The new Mercedes-Benz 190 and 190E models have gone on sale in West Germany without benefit of any special advertising campaign. Prices translated into U. S. dollars are $10,235 for the 190 and $11,100 for the 190E. The 190 series is expected to be available in the U. S. in the fall of 1983.

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Attempt to delay safety standards comes out in trial evidence

Tape tells of Ford pitch to Nixon

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — Last week, a fascinating bit of history surfaced—a White House transcript of a tape made by President Richard M. Nixon of a meeting in the Oval Office with Henry Ford II; Lee A. Iacocca, then Ford Motor Co. president (now Chrysler Corp. chairman); John D. Ehrlichman, head of the Domestic Council in the Watergate years, and an "unknown" person referred to only as Paul.

The date: April 27, 1971.

The transcript was admitted as evidence in lieu of a deposition from President Nixon in a product liability suit in a Georgia State court in Atlanta. The case involves a fire in a 1975 Mustang II and subsequent fatality.

Also admitted as evidence was a confidential Ford in-house memo, allegedly about not using a safety feature for gas tanks until it would be required four years in the future.

Ford now says the safety feature was being developed at the time the memo was written; therefore, it was unavailable for installation. According to Ford, the memo said the safety device was one of several on which action would be deferred because the government was frequently changing safety requirements at that time.

The content of the White House tape does not bear directly on the issues in the case (Stubblefield vs. Ford), which seeks medical and funeral costs plus punitive damages.

• But the tape itself has considerable historic interest. To Washington old-timers, the meeting itself was never doubted. There were repeated assertions from former California Congressman John Moss, who claimed Henry Ford II had appealed to the President to delay the passive-restraint standard and substitute Ford's better idea —the ignition interlock.

It was later approved by then-NHTSA head Douglas Toms. The ill-fated ignition interlock bombed with the public, was promptly overruled by Congress and even made the unseen air bag look simple and almost acceptable by comparison.

While meetings between Detroit VIPs and Presidents are neither uncommon nor necessarily sinister, this particular meeting assumed importance because it was never admitted by Ford until the court deposition.

Furthermore, the relationship between Ford's well known opposition to the air bag and the subsequent delay and radical change in the established standard by a so-called independent agency raised—and still raises—questions of the propriety of bringing personal, political and economic pressure on the legal process through the White House.

As Ehrlichman suggested during the meeting, there existed legal, ethical and appropriate ways for Ford to object — some ways that had already been used by Ford and other ways being considered by Ford.

The passive-restraint standard at that point had already survived a legal challenge in the Sixth Circuit Court of Appeals (by all auto companies except General Motors and Daimler-Benz). A further court challenge was not only possible and appropriate at that time, but actually planned within a few days by Ford.

• The standard—11 years later and now considerably different —is still in the court, this time in the U. S. Supreme Court.

"The conversation with the President 11 years ago was nothing more than what we were saying publicly at the time and have said ever since," a Ford Motor Co. spokesman said after the transcript was made public.

"In speeches and press interviews, Ford executives were calling for a rational approach to automotive regulations on a

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Ford spots jeopardize Stewart's ABC job

NEW YORK. — ABC Sports has still not decided whether to sever its relationship with Jackie Stewart due to his role as on-air spokesman for Ford — although the probability looms high.

Irv Brodsky, spokesman for ABC sports, said the network had not reached a decision at press time.

He had previously said network executives believed Stewart—an analyst of ABC's coverage for all major auto racing, including the Indy 500 — may have lost his credibility and compromised his position as an objective commentator by appearing in Ford spots, starting last September.

Brodsky held out as a "good possibility" Stewart's not doing any auto racing coverage because of his participation in Ford commercials.

Stewart is not scheduled to appear in any of ABC's upcoming racing telecasts.

ABC's spokesman noted that, despite a clause in his contract requiring him to notify ABC of any endorsement agreements, Stewart failed to contact the network before signing up with Ford.

Stewart's business manager and agent, Bud Stanner, senior corporate vice president at Cleveland-based International Management Group, declined comment: "Neither Jackie nor I have anything to say regarding the issue ABC is talking about."

Similarly, Ford declined comment, noting that "what Jackie does for us is a logical extension of a relationship he's had (with Ford) since the 1960s."

Added the spokesman, "He has noncompetitive contracts with a number of firms, including a big watch company and a champagne company," and Ford did not deem it proper to comment on any of his dealings, including those with ABC.

Jaguar lets the sun in

Coach Builders, Ltd., High Springs, Fla., unveiled its new convertible conversion of the Jaguar XJS at the South Florida Auto Show. Dealer conversion price is $8,900.

Pennsylvania in U. S., Defense Dept. told

By Jake Kelderman
Washington Staff Writer

WASHINGTON. — There is an "America" in "Volkswagen of America," but the maker of the front-wheel-drive Rabbit is having a little trouble convincing the Defense Department of that.

That inability, sad to say for VWoA, is costing it about 3,000 Rabbit sales each year, the company estimates. The Defense Department won't let VWoA sell its U.S.-made Rabbits in its PXs because, by its definition, VWoA is not an American company, but a German one.

According to the Defense Department, it may offer for sale only "American automobiles," built by American auto companies, in its PXs under a Buy America directive issued by the House Armed Services Committee in 1965.

Never mind that VWoA has a plant in Westmoreland, Pa., and is building another in Sterling Heights, Mich., has a stamping plant in South Charleston, W. Va., and a parts plant in Ft. Worth and that its Rabbits are considered domestic vehicles by the EPA and NHTSA—VWoA is not an American company, the Defense Department says.

VWoA now has taken its case to the House Armed Services Committee. At a hearing last week, it appeared to have made its point that U. S.-built Rabbits should be eligible for sale in U. S. Armed Services exchange stores.

VWoA Vice President for Industry-Government Relations Philip Hutchinson said this would be only fair, given the company's substantial investment in the U. S. and the fact that the Renault Alliance (built by American Motors with less domestic content than the Rabbit) is cleared for sale through the PX system.

All vehicles built in the U. S. by American workers should be entitled to compete for military exchange sales, he said.

The committee seemed inclined to let VWoA compete. A decision is due soon.

Consolidated adds warranty, pushes DeLorean sales

COLUMBUS, Ohio. — Consolidated International Inc. is proceeding with the sale of DeLorean sports cars, and has secured a 12-month/12,000 mile warranty to sweeten the package.

Chuck Shenk, Consolidated executive vice president, told Automotive News the warranty deal was made with Columbus-based National Auto Care and will be offered at no additional cost. "It's included in the price of the car," Shenk said.

The warranty will be offered on the cars Consolidated acquired in the U. S. and the cars it acquired in the U.K., he said.

"I don't know how many cars we've sold so far, but we've sold a lot of them," Shenk said. "We're selling cars every day to DeLorean dealers."

The official confirmed that former DeLorean Motor Co. vice president Jack Rakes has joined Consolidated in a sales/marketing capacity. Rakes is a veteran auto official. He has worked for several companies, including American Motors (Canada) Ltd., BMW and Saab.

Automotive News sources last week said at least one more ex-DMC official may join Consolidated. Shenk said he "didn't know" if that is true.

He also said there has been no decision yet on whether Consolidated will exercise its option to resume production at the former DeLorean sports car plant in Dunmurry, Northern Ireland. The option is due to expire Dec. 20.

Mid-November deliveries of 210,917, up 12 percent from 1981

U. S. car sales climb for third straight period

By Jenny L. King
Staff Writer

Mid-November domestic new-car sales increase made it only the second time this year sales have been up for three consecutive periods.

All three May sales periods wore plus signs compared to their year-ago comparison figures. The current upswing started Oct. 21-31.

November 11-20 sales blasted off to a 41.51-percent improvement over the period in 1981, with sales of 210,917 compared with 149,046. The daily selling rate averaged 23,435 compared with 16,561 a year ago. There were nine selling days both years.

The annualized sales figure based on the current rate was 7.3 million domestic units, a dramatic improvement over last summer's trough of about 4.2 million projected sales.

General Motors enjoyed its best 10-day total since mid-May with sales of 140,457 new cars, up 56.57 percent from 89,707. Ford Motor Co. sales were up 17.99 percent, to 43,658 from 37,001. Chrysler Corp. sales of 19,696 units were up 15.26 percent from 17,089.

Volkswagen of America reported sales of 2,106 new Rabbits, down 10.34 percent from 2,349 a year earlier, and estimated sales of American Motors passenger cars was 5,000 units, up 72.41 percent from 2,900.

GM earned a whopping 66.59 percent of the domestic market in mid-November, up more than six percentage points from 60.19 percent a year ago. Ford sales accounted for 20.70 percent, down from 24.82 percent. Chrysler slipped to 9.34 percent from 11.46 percent. VWoA earned an even 1 percent, down from 1.58 percent, and AMC had 2.37 percent, up from 1.95 percent.

All but three of the 14 U. S. makes came out ahead of their 1981 sales levels during the period. Chrysler was up 71.93 percent, Dodge was up 14.39 percent, Ford was up 14.38 percent, Mercury was up 14.08 percent and Lincoln was up 78.84 percent.

Buick sales jumped 86.73 percent, Cadillac was up 36.36 percent, Chevrolet was up 48.08 percent, Oldsmobile was up 60.02 percent, Pontiac was up 50.67 percent and AMC was up an estimated 72.41 percent.

Missing their year-ago sales levels were Plymouth, down 8.76 percent, Imperial, down 30.17 percent, and VWoA, down 10.34 percent.

Domestic sales from Jan. 1 through Nov. 20 totaled 5,149,824, down 9.78 percent from 5,708,173.

In year-to-date comparisons through Nov. 20, three domestic makes have improved over 1981 levels: Chrysler, Lincoln and Cadillac. Nameplates up from year-ago standings include: Ford Escort and Crown Victoria; Mercury Lynx and Grand Marquis; standard Lincoln; Buick LeSabre and Electra; Cadillac Seville, Eldorado and standard Cadillac; Oldsmobile 88 and 98; Pontiac Bonneville / LeMans and Firebird, and Chevrolet Camaro.

DOMESTIC SALES

	Nov. 11-20, 1982	Nov. 11-20, 1981
AMERICAN MTRS.	5,000†	2,900†
Chrysler	5,469	3,181
Imperial	81	116
Plymouth	6,428	7,045
Dodge	7,718	6,747
CHRYSLER CORP.	19,696	17,089
Ford	29,405	25,709
Mercury	10,467	9,175
Lincoln	3,786	2,117
FORD MOTOR CO.	43,658	37,001
Buick	27,070	14,497
Cadillac	9,447	6,928
Chevrolet	52,783	35,644
Oldsmobile	33,357	20,824
Pontiac	17,800	11,814
GENERAL MTRS.	140,457	89,707
VOLKSWAGEN	2,106	2,349
INDUSTRY TOTAL	210,917	149,046

† Estimate; includes Renault Alliance

Gasoline boost only part of it

Trucking industry calls excise tax plan unfair

By Miles Moore
Washington Staff Writer

WASHINGTON. — The heavy-truck industry is protesting the Reagan Administration's proposal for financing a federal highway trust fund which the American Trucking Assns. (ATA) estimates could cost the industry an extra $1.3 billion a year.

The new bill, proposed by DOT and endorsed by President Reagan, would raise an estimated $5.5 billion annually for highway, bridge and mass-transit programs, mainly through increases in federal excise taxes.

The most publicized feature of the DOT proposal has been the five-cent-per-gallon increase in the gasoline tax. Most of the provisions of the bill, however, apply to owners of heavy trucks and manufacturers of heavy-truck parts.

"Trucks are simply not paying their fair share of highway maintenance costs," said DOT Secretary Drew Lewis at a hearing before the House Ways and Means Committee. "This proposal is a more equitable way of dividing the costs."

Among other things, the bill would:

1. Impose an excise tax of 12 percent on new trucks and truck parts, as opposed to the current 10 percent on trucks and 8 percent on truck parts.

2. Increase the excise tax on truck tires weighing more than 100 pounds from 9.75 to 25 cents per pound.

3. Quintuple the excise tax on tread rubber — widely used in the trucking industry to retread tires — from 5 to 25 cents per pound.

At the same time, excise taxes on inner tubes, lubricating oils and tires weighing less than 100 pounds would be eliminated.

Such changes in the highway user fee structure would "shift the relative burden from the lighter trucks to the heavier trucks," according to Lewis.

Representatives of the trucking industry scarcely agree with Lewis that the new tax proposal is equitable.

The equitability of user fees has been a bone of contention between the trucking industry and federal and state governments for at least 20 years, ever since a study by the American Assn. of State Highway and Transportation Officials stated that a five-axle tractor - trailer causes at least as much damage to a highway as 9,600 autos.

Ross C. Gaussoin, chairman of the ATA, placed much of the blame for the current proposal on one of two highway cost allocation studies performed by DOT in 1978.

"One was based on the incremental approach which has been the measurement accepted by highway engineers for many years," Gaussoin said at a hearing before the Senate Finance Committee.

• This study — which DOT has attempted to bury, Gaussoin claimed — "conclusively finds that trucks in all weight categories are paying their fair share of the current federal highway taxes."

The second study was done according to what Gaussoin said was a new methodology — the consumption or damage approach.

"Unfortunately, this latter study has received all the publicity—primarily because it calls for outrageous increases in truck taxes," he said. "The trucking industry seriously questions and disputes the methodology in this study because it attributes all highway damage to truck weight and gives no significant recognition to age, weather and environment."

The added tax on gasoline alone would cost the trucking industry nearly $1.05 billion, and that would be bad enough, according to Gaussoin.

But the additional, heavy-truck-related taxes would cost the industry an extra $1.04 billion in users' fees, $208 million in excise taxes on new trucks, $51 million in taxes on parts and accessories and $12.5 million in taxes on tires and tread rubber.

Only in lubricating oils—with a tax reduction of $12.5 million —would there be any gain, he said.

In conclusion, Gaussoin urged the committee "to defer any action on special truck taxes and adopt only the five-cent fuel-tax increase."

Agreeing in every particular with Gaussoin was Arthur T. Irwin, chairman of NADA's American Truck Dealers Division, who told House Ways and Means Committee that the "tremendous increases" in trucking companies' tax liabilities "will be a severe burden to an industry that is already in its worst condition in many years."

Irwin also objected to the collection of federal excise taxes in advance from the dealer, a practice he called "frustrating and unfair."

"At the same time our government is providing low-interest loans for disaster victims, the truck dealers—who are victims of an economic disaster

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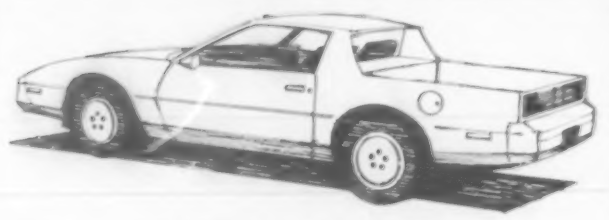

Secret Pontiac job —a Firebird pickup

By Al Fleming
Industry Editor

Hidden deep in the recesses of Pontiac Division's advanced engineering facility is — ahem — a Firetruck.

What else would you call a Firebird with a truck bed on the back?

The cobbled up version at Pontiac engineering is crude, to say the least, nothing as refined looking as the sketch above, which visualizes a possible finished product. In fact, the real thing, at the moment, is at this stage not much more than a Firebird with the upper rear section carved off and a plastic box nestled in its place.

It is apparent that the sporty looking personal pickup by no means represents a formal development project, but it does indicate the General Motors division is leaving no stone unturned in its quest for a new, contemporary ("We Build Excitement") image.

What's more, there is precedence for a Firetruck. In 1959 Pontiac built a personal truck, or "pickup car," along the lines of the Chevrolet El Camino. Reportedly, only one was built. The Catalina-based pickup was created as a possible production prototype, an idea which later was dropped.

When last heard of, the one-of-a-kind Catalina truck was owned by a collector in the Midwest.

As UAW takes tough stance on struck work

Deadline speeds up Chrysler talks

By Marjorie Sorge
Labor Editor

DETROIT. — Amid signs at presstime that UAW and Chrysler Corp. could be near an agreement, a high-ranking company official told AUTOMOTIVE NEWS an agreement must be reached by this week or Chrysler may cut off talks until after the first of the year.

"At some point in time, we have to look and see if it is better to cut off (talks) until next year," he said. "Next week is still OK, but by the following week, we will have to take a look."

Meanwhile, Chrysler has shifted some die casting work from Canada to its Kokomo (Ind.) plant, company insiders said. While they said that is currently the only facility doing struck Canadian work, the company is also looking at placing some trim work and some seat work with outside unionized suppliers. The work would be returned to Canada when the strike against Chrysler ends.

In a joint statement, UAW President Douglas A. Fraser and Vice President Marc Stepp, who also is director of the union's Chrysler Department, said, "Should we find that work which has been performed in Canada is being done in the U.S. for installation in Chrysler vehicles, we shall take appropriate steps to stop it."

Stepp has said shifting the Canadian work could hurt negotiations. Chrysler workers in Canada have been on strike since Nov. 5.

While progress was still slow on both sides of the border at presstime, it was expected to pick up substantially at the end of last week.

In Canada, UAW Vice President Robert White, director of the Canadian region, threatened to cut off negotiations until after the first of the year unless some substantial progress was made by yesterday (Dec. 5).

Agreements for both the U. S. and Canada must be reached simultaneously. The union and company spent most of last week discussing non-economic issues. Money issues were expected to be put on the table late last week.

In order to reach a settlement, the union has said there must be significant upfront money.

According to a high-ranking Chrysler official, the company is willing to "rearrange the pennies" from the contract the workers rejected in October, but it is not willing to raise its labor costs. He said the only way to put in substantially more money would be to negotiate a longer agreement. The rejected pact was for one year on economics.

Both Stepp and White have said a longer agreement could be acceptable to the union, depending on the economic offer of the company.

New plant to raise BMW capacity 40 pct.

By Richard Feast
European Editor

MUNICH. — The supervisory board of BMW has approved the group's plan to build an additional car factory in the southern German state of Bavaria.

The decision, made Nov. 25, comes 2½ years after BMW postponed a plan to build additional capacity for its luxury and sporty sedans. It will mean that by the 1990s BMW will be capable of manufacturing up to 40 percent more cars.

Initial investments in the factory, which will be located at Regensburg, some 70 miles north of Munich, will amount to $275 million. Work on the site will begin in 1984, and production — at a low level — will flow in 1986.

Production will slowly be increased to around 600 a day by the early '90s, by which time BMW will have invested some 1.5 billion deutschmarks (nearly $600 million).

• According to Eberhard von Kuenheim, the company's chief executive, the most likely model to be made at Regensburg will be the 3-series, the latest generation of which BMW unveiled in West Germany Nov. 27.

Von Kuenheim said that if BMW believed in the future it needed a new factory. It will, he pointed out, give BMW a better production structure.

At present, the company has two auto making plants, at Mu-

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Chrysler names head of marketing operation

By Joseph Bohn
Marketing Editor

Arthur C. Kestleloot is the new head of Chrysler-Plymouth national advertising.

Edward Fleming reportedly will become merchandising manager for Chrysler-Plymouth, and John Damoose, merchandising manager for Dodge.

Raymond Schneider, a 24-year Chrysler veteran who was in charge of media and budget analysis, left the company to join BBD&O, the new Dodge agency.

William Oswald, management supervisor on Dodge car at Kenyon & Eckhardt, is going over to BBD&O in that position.

A number of K&E people simply got pink-slipped, such as Roy McKechnie, head of creative on Dodge truck; Paul Stevens, head of C-P dealer account and David Abodaher, senior writer on C-P dealer associations, who has a book out on Chairman Lee Iacocca.

(BBD&O is taking some of the field supervisors on dealer associations from K&E, but many field people are simply being turned loose.)

Kestleloot was formerly management supervisor on J. Walter Thompson's Ford account. He replaces Michael Howe.

Chrysler reportedly will expand its marketing organization, so that Kestleloot, for example, will have two ad managers under him, and Joseph Cronin, the Dodge advertising head, will also have two managers.

Chrysler has not made any official announcement of its planned reorganization, partly because it hasn't decided how big its staffs will be.

Reportedly, some 52 people were originally intended to become part of the new marketing organizations, being aligned along a brand concept.

However, officials have had second thoughts about the size of the budgets that would be required, with the additional number of people that would have to be brought in.

Currently, Chrysler's marketing organization is budgeted through the end of December, so that additional money for the newly contemplated organizations will not become available until January.

IMPORT REGISTRATION SHARES IN U. S.

	SEPTEMBER					NINE MONTHS				
	Regis., Sept., 1982	Percent Share of Market	Regis., Sept., 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81	Regis., 9 Mos., 1982	Percent Share of Market	Regis., 9 Mos., 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81
Toyota	46,117	23.35	46,870	22.38	+ 0.97	401,589	23.69	454,817	23.99	— 0.30
Nissan	40,230	20.37	39,054	18.65	+ 1.72	341,283	20.14	346,356	18.27	+ 1.87
Honda	29,789	15.08	32,424	15.48	— 0.40	276,569	16.32	289,784	15.29	+ 1.03
Mazda	14,250	7.21	13,277	6.34	+ 0.87	116,255	6.86	133,765	7.06	— 0.20
VW	12,780	6.47	21,489	10.26	— 3.79	111,551	6.58	178,771	9.43	— 2.85
Subaru	12,468	6.31	13,496	6.44	— 0.13	102,703	6.06	107,838	5.69	+ 0.37
Volvo	5,535	2.80	5,320	2.54	+ 0.26	57,412	3.39	49,336	2.60	+ 0.79
Mercedes	5,031	2.55	.....	.....	.....	47,432	2.80	44,217	2.33	+ 0.47
Champ	4,891	2.48	4,626	2.21	+ 0.27	.....	.....	.....	.....	.....
BMW	4,777	2.42	.....	.....	.....	37,061	2.19	.....	.....	.....
Colt	.....	.....	4,696	2.24	.....	.....	.....	32,464	1.71	.....
Audi	.....	.....	4,500	2.15	.....	33,287	1.96	36,111	1.90	+ 0.06
Others	21,640	10.96	23,678	11.31	— 0.35	169,688	10.01	222,302	11.73	— 1.72
TOTAL	197,508		209,430			1,694,830		1,895,761		
Share of U. S. total		31.62		27.45			29.96		28.88	

Registrations for Oklahoma not available.

Sol Davis marks 50th anniversary

Celebrating 50 years as a Chrysler Corp. dealer, Sol Davis, center, S&W Sales Co., Ridgewood, N. Y., receives an award complete with replica of 1932-model Chrysler to mark the year he started. Myke Jacobs, left, New York zone manager, hands him the plaque as his son, Mal Davis, dealership president and a 25-year veteran, observes.

Registrations total 197,508, down from 1981

Imports take record share in Sept.

By Jenny L. King
Staff Writer

Registrations of new imported cars accounted for a record share of the September total in the U. S., although the actual number was down 8,000 units from the 1981 level.

Imports snatched 31.62 percent of the September market this year, according to figures compiled by R. L. Polk & Co. It was their best September penetration, based on 197,508 cars, down 5.69 percent from 209,430 a year earlier when penetration was 27.45 percent. September's import market segment was down from the all-time record of 34.16 percent notched in August, 1982.

Of the month's top 10 importers, five increased their shares of the market compared with 1981 levels. Nissan gained the most ground, climbing 1.72 percentage points, to 20.37 percent from 18.65 percent. Toyota was up 0.97 of a point to 23.35 percent from 22.38 percent and Mazda was up 0.87 of a point to 7.21 percent from 6.34 percent. Volvo was up 0.26 of a point and Champ/Colt was up 0.27 of a point.

Honda slipped back to 15.08 percent from 15.48 percent; Volkswagen plunged 3.79 percentage points to 6.47 percent from 10.26 percent, and Subaru dipped to 6.31 percent from 6.44 percent. Mercedes and BMW joined the top 10 this September replacing Colt and Audi from 1981.

• For the nine-months period, six importers gained in shares of the market. Nissan was up 1.87 percentage points; Honda was up 1.03 percentage points; Subaru was up 0.37 of a point; Volvo was up 0.79 of a point; Mercedes was up 0.47 of a point, and Audi was up 0.06 of a point.

From January through September, Toyota was down 0.30 of a point, Mazda was down 0.20 of a point and Volkswagen was down 2.85 points. BMW joined the top 10 and Colt dropped into the "other" category.

The top 10 companies captured 89.04 percent of the import total in September, up from 88.69 percent a year earlier. Ten auto makers accounted for 89.99 percent of the nine-months import market, up from 88.27 in 1981.

Japanese-built passenger cars were 79.11 percent of the September import total, up from 75.89 percent a year ago, and slightly short of the 79.13 percent they claimed in August.

For the first nine months of 1982, Japanese cars earned 78.18 percent of the import market, up from 75.32 percent.

Registrations by country of origin in September were:

	Sept., 1982	Sept., 1981
Japan	156,256	158,941
West Germany	27,511	35,552
Sweden	7,155	6,542
France	4,338	3,856
Italy	1,140	2,965
United Kingdom	876	1,170
Ireland	232	404

Registrations by country of origin for the first nine months were:

	9 mos., 1982	9 mos., 1981
Japan	1,324,965	1,427,934
West Germany	239,328	328,829
Sweden	71,095	59,633
France	37,536	33,371
Italy	12,299	30,246
United Kingdom	7,097	15,062
Ireland	2,510	686

Registrations of imported trucks in September tumbled 16.29 percent, to 37,700 from 45,036. Totals by major manufacturer were:

	Sept., 1982	Sept., 1981
Toyota	14,870	13,493
Nissan	8,702	10,185
Mazda	3,298	.....
Dodge Ram 50	2,750	.....
Chevrolet LUV	.....	5,708
Ford Courier	.....	5,537
Others	8,080	10,113
TOTAL	37,700	45,036

Registrations of imported trucks for the first nine months were down 15.59 percent compared with year-ago levels. The breakout was as follows:

	9 mos., 1982	9 mos., 1981
Toyota	105,981	97,255
Nissan	69,008	83,984
Mazda	27,058	.....
Dodge Ram 50	23,237	.....
Chevrolet LUV	.....	52,683
Ford Courier	.....	48,631
Others	87,205	87,661
TOTAL	312,489	370,214

Mobil recalls faulty oil; could damage car engine

By Roger Rowand
Engineering Editor

CHICAGO. — Mobil Oil Corp. is recalling in six upper-Midwest states a large quantity of motor oil containing a faulty additive. Use of the lubricant at low temperatures might lead to engine damage, the company said.

Some 175,000 gallons of Mobil Super 10W-40, much of it in quart cans, are in the bad batch. The company is trying to reach buyers through advertising and press statements.

It is advising those who bought, or think they may have bought the oil, to return it for a no-charge replacement.

Mobil said it did not know what damage might occur, but an engine with the bad oil will be noticeably sluggish, will refuse to perform and the car's oil warning light will turn on.

Mobil said this type of incident never had happened to it before. Internal steps have been taken to prevent a recurrence, the company said.

Only one shipment of oil is involved. It was sold in Illinois, Wisconsin, Michigan, Ohio, Indiana and the eastern half of Iowa.

Des Moines dealer sets LeCar sales record

DES MOINES. — Bud Mulcahy's Des Moines AMC/Jeep/Renault set a national sales record for Renault LeCar: 121 sold in October as a result of its "Best New Car Buy in the State of Iowa" promotion.

The dealership took delivery of 80 LeCars in a single day and recorded the event for TV and newspaper advertising. Bud Mulcahy is president of the dealership.

TOP CARS

U. S. registrations for the first nine months of 1982. Registrations not available for Oklahoma.

1982 Position		Make	1981 Position	
1—	897,348	Chevrolet	1,130,515—	1
2—	659,392	Ford	763,679—	2
3—	553,363	Oldsmobile	642,102—	3
4—	508,264	Buick	548,168—	4
5—	401,589	Toyota	454,817—	5
6—	341,283	Nissan	346,356—	7
7—	336,713	Pontiac	431,215—	6
8—	276,569	Honda	289,784—	9
9—	233,590	Mercury	307,357—	8
10—	181,242	Plymouth	266,506—10	
11—	178,707	Dodge	243,313—11	
12—	164,775	Cadillac	159,290—13	
13—	120,743	Chrysler	69,011—17	
14—	116,255	Mazda	133,765—14	
15—	111,551	VW	178,771—12	
16—	102,703	Subaru	107,838—15	
17—	67,812	AMC	104,921—16	
18—	57,654	Lincoln	44,711—19	
19—	57,412	Volvo	49,336—18	
20—	47,432	Mercedes	44,217—20	
21—	37,061	BMW	.....	
22—	33,287	Audi	36,111—21	
.....		Colt/Champ	32,464—22	
	169,688	Other Imports	222,302	
	2,011	Misc. Dom.	2,491	
	5,656,444	TOTAL	6,564,329	

Toyoda cagey on GM talks at dedication of Toyota HQ

TORRANCE, Calif. — Saying only that negotiations with General Motors on joint U. S. production are progressing, Eiji Toyoda, chairman of Toyota Motor Corp. was here to dedicate a new headquarters building for Toyota's U. S. sales subsidiary and to mark the company's 25th year in this market.

Toyoda said the demand for efficient automobiles has triggered a major revolution throughout the world auto industry.

"We are now witnessing a great variety of attempts to establish tie-ups between auto makers," he said. "This trend in itself is ample evidence of the struggle to efficiently manufacture at the earliest possible time, fuel-stingy vehicles with first-rate performance to compete effectively on world markets."

Although Toyoda refused to discuss the contents of the talks with GM, he admitted that the company does not have plans to build vehicles in the U. S. on its own but rather is looking to successful completion of the GM talks on a joint project.

When asked if the substance of GM Chairman Roger Smith's remarks on the type of vehicle and plant site were accurate, Toyoda replied that he has not heard anything official from Smith and that "I cannot make comment on what has been quoted in the newspapers."

He added, however, "I can say negotiations have been making progress."

Toyoda said his company is not in favor of import restrictions and added that it is too early to comment on the prospect of a third year of quotas imposed by the Japanese government.

In his prepared remarks, Toyoda said the world economy faces danger from protectionism.

"There are real fears that the free world, which is led by the U. S., faces a future of disunity and hindered development," he said.

"If we choose to avoid fair and healthy competition for fear of trade frictions and resort to protectionism not only will the end-user—the man on the street—be a big loser, but this also will have a negative influence on the American auto industry."

• Toyoda expects the U. S. car companies to regain their former strength when the American economy recovers.

Shochiro Toyoda, president of TMC, said he expects "many severe challenges from here on, not the least of which is the worsening global business environment."

He noted that this year Toyota expects to produce 3.2 million vehicles, of which 1.52 million are destined for the Japanese home market. This represents an increase in domestic sales, and a decrease in exports.

Both Toyodas dedicated the new five-building headquarters complex that includes corporate headquarters, data processing center, master parts depot, emissions lab and employe dining facility, situated on 41 acres.

The $100-million site is across the street from Toyota's old headquarters and employs 800 persons. The corporate headquarters building is four stories tall and has more than 290,000 square feet of floor space.

Koerner achievement

For his 25 years of selling and servicing Ford Division cars, Jack Koerner, right, of Koerner Ford, Rochester, N. Y., is awarded a commemorative plaque by Bernard L. Crumpton, division general sales manager.

GM dual adds Peugeot

CONCORD, N. H.—Banks Chevrolet-Cadillac, Inc., has been awarded a Peugeot franchise.

12-month plan covers used cars sold at retail

No mileage limit in Hertz warranty

By Francis J. Gawronski

Hertz Corp. has eliminated the mileage cap from the limited warranties it provides on its used cars sold at retail.

Previously the warranty coverage was for 12 months or 12,000 miles, whichever came first. The coverage is now for 12 months with no mileage.

Hertz also announced that extended limited warranty coverage is being offered through several options which buyers may select.

The basic no-cost limited warranty, which backs every car sold at retail, covers the powertrain, including engine, drive shaft, transmission and differential for 12 months.

The major extended warranty coverage Hertz is now offering is for 24 months with unlimited mileage. Priced at $299, this warranty covers powertrain plus air conditioning, brakes, power steering and electrical systems.

Another option, priced at $149, covers the powertrain for 24 months with no mileage limit.

A third option, which can be added to the basic limited warranty, provides coverage for air conditioning, brakes, power steering and electrical systems for the 12-month period of the basic warranty. It is priced at $99.

Elsewhere, William B. Tuttle has been named national account executive for Commercial Credit/McCullagh Leasing, Inc., an operating company of Commercial Credit Co., Baltimore.

Tuttle will be headquartered in Burlington, Calif. Prior to joining Commercial Credit/McCullagh, he was a district manager for Avis Car Leasing, San Mateo, Calif.

Southwest Leasing Corp., Los Angeles, reported income of $246,000 for the second quarter, ending September, 1982, compared with $405,000 for the same period a year ago.

According to Southwest Leasing, revenues were $10,217,000 for the second quarter, compared with $10,095,000 for the same period a year earlier.

Kayser Leasing Corp., Madison, Wis., has opened a new district sales office in Chicago's Sperry Univac complex, Suite 200 North, 8600 West Bryn Mawr.

Dave Mueller, formerly account manager - operations, has been promoted to accounting manager for National Car Rental System, Inc., Minneapolis, while Samuel Allison, formerly city manager in Fort Myers, Fla., has been named fleet manager of the Miami pool.

In other changes announced by National, Bill Ballou, formerly fleet manager for the Miami pool, has been named city manager in Fort Lauderdale, and Keith Schwenk, formerly city manager in Fort Lauderdale, has been named city manager in Fort Myers.

Also, Raul Cosio has joined the sales department as regional sales manager in Miami for Latin America, Mexico and the Caribbean, while Sheila Rafferty, who has been account executive in Chicago, has been promoted to national accounts manager in Chicago.

Also, James Steadman, formerly national accounts manager in Chicago, has been named account executive in Chicago, and Cathy Vanasco, who was distribution manager for the San Francisco pool in the Car Rental Division, has been named sales representative in San Francisco.

Toyota-Dodge dual

SALEM, N. H.—Walton Toyota-Dodge, owned by Owen Walton, has opened here.

ENGINE OPTIONS ON 1982 U. S. MODELS

	V-8 Gasoline	Percent of Output	V-8 Diesel	Percent of Output	V-6 Gasoline	Percent of Output	6-Cylinder Gasoline	Percent of Output	6-Cylinder Diesel	Percent of Output	4-Cylinder Gasoline	Percent of Output	4-Cylinder Diesel	Percent of Output
AMERICAN MOTORS	N.A.	—	N.A.	—	N.A.	—	55,926	78.88	N.A.	—	14,972	21.12	N.A.	—
Spirit	N.A.	—	N.A.	—	N.A.	—	10,892	53.96	N.A.	—	9,290	46.04	N.A.	—
Concord	N.A.	—	N.A.	—	N.A.	—	31,655	93.96	N.A.	—	2,038	6.04	N.A.	—
Eagle/SX4	N.A.	—	N.A.	—	N.A.	—	13,379	78.60	N.A.	—	3,644	21.40	N.A.	—
CHRYSLER CORP.	108,225	14.94	N.A.	—	N.A.	—	23,718	3.27	N.A.	—	592,605	81.79	N.A.	—
C-P Total	84,671	18.88	N.A.	—	N.A.	—	12,502	2.79	N.A.	—	351,246	78.33	N.A.	—
Horizon	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	85,356	100.00	N.A.	—
Reliant	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	162,580	100.00	N.A.	—
Gran Fury	12,672	67.60	N.A.	—	N.A.	—	6,074	32.40	N.A.	—	N.A.	—	N.A.	—
Imperial	2,717	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Cordoba	14,303	74.70	N.A.	—	N.A.	—	4,844	25.30	N.A.	—	N.A.	—	N.A.	—
LeBaron	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	103,310	100.00	N.A.	—
New Yorker	54,979	97.20	N.A.	—	N.A.	—	1,584	2.80	N.A.	—	N.A.	—	N.A.	—
Dodge Total	23,554	8.53	N.A.	—	N.A.	—	11,216	4.06	N.A.	—	241,359	87.41	N.A.	—
Omni	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	82,003	100.00	N.A.	—
Aries	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	125,016	100.00	N.A.	—
Diplomat	17,672	67.30	N.A.	—	N.A.	—	8,586	32.70	N.A.	—	N.A.	—	N.A.	—
Dodge 400	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	34,340	100.00	N.A.	—
Mirada	5,882	69.10	N.A.	—	N.A.	—	2,630	30.90	N.A.	—	N.A.	—	N.A.	—
FORD MOTOR	364,578	27.87	N.A.	—	108,799	8.31	266,317	20.35	N.A.	—	568,822	43.47	N.A.	—
Ford Division	184,447	20.83	N.A.	—	71,480	8.07	195,963	22.14	N.A.	—	433,460	48.96	N.A.	—
Escort	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	318,418	100.00	N.A.	—
EXP	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	22,650	100.00	N.A.	—
Must./Must II	33,387	25.60	N.A.	—	N.A.	—	37,560	28.80	N.A.	—	59,471	45.60	N.A.	—
Granada	N.A.	—	N.A.	—	56,675	47.10	61,003	50.70	N.A.	—	2,647	2.20	N.A.	—
T-Bird	27,717	61.40	N.A.	—	14,807	32.80	2,618	5.80	N.A.	—	N.A.	—	N.A.	—
Ford	120,660	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Fairmont	2,683	2.10	N.A.	—	N.A.	—	94,782	74.20	N.A.	—	30,274	23.70	N.A.	—
L-M Division	180,131	42.57	N.A.	—	37,319	8.82	70,354	16.62	N.A.	—	135,362	31.99	N.A.	—
LN7	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	11,540	100.00	N.A.	—
Lynx	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	100,113	100.00	N.A.	—
Capri	8,817	24.40	N.A.	—	N.A.	—	10,840	30.00	N.A.	—	16,477	45.60	N.A.	—
Zephyr	78	0.20	N.A.	—	N.A.	—	31,782	81.30	N.A.	—	7,232	18.50	N.A.	—
Cougar	N.A.	—	N.A.	—	30,297	53.20	26,653	46.80	N.A.	—	N.A.	—	N.A.	—
XR-7	9,244	54.80	N.A.	—	6,544	38.80	1,079	6.40	N.A.	—	N.A.	—	N.A.	—
Mercury	77,157	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Continental	23,430	98.00	N.A.	—	478	2.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Lincoln	35,069	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Mark VI	26,336	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
GENERAL MOTORS	971,869	27.72	156,261	4.46	1,202,710	34.31	N.A.	—	24,214	0.69	1,132,688	32.31	17,929	0.51
Buick Division	145,067	19.00	27,575	3.73	403,962	54.59	N.A.	—	7,628	1.03	155,751	21.05	N.A.	—
Skylark	N.A.	—	N.A.	—	68,955	47.70	N.A.	—	N.A.	—	75,605	52.30	N.A.	—
Skyhawk	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	47,918	100.00	N.A.	—
Century	N.A.	—	N.A.	—	65,589	63.70	N.A.	—	5,148	5.00	32,228	31.30	N.A.	—
Regal	4,283	1.90	5,410	2.40	213,245	94.60	N.A.	—	2,480	1.10	N.A.	—	N.A.	—
Buick	108,392	61.92	17,803	10.17	48,857	27.91	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Riviera	32,392	73.50	4,363	9.90	7,316	16.60	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Cadillac Division	171,784	72.92	20,169	8.56	17,663	7.50	N.A.	—	N.A.	—	25,968	11.02	N.A.	—
Cimarron	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	25,968	100.00	N.A.	—
Seville	16,598	83.00	2,380	11.90	1,020	5.10	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Eldorado	43,799	84.20	4,736	9.20	3,433	6.60	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Cadillac	111,387	80.95	13,003	9.45	13,210	9.60	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Chevrolet Division	315,794	24.34	29,971	2.31	350,440	27.01	N.A.	—	1,990	0.16	581,633	44.83	17,529	1.35
Chevette	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	225,934	92.80	17,529	7.20
Cavalier	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	195,024	100.00	N.A.	—
Celebrity	N.A.	—	N.A.	—	53,081	57.50	N.A.	—	N.A.	—	39,233	42.50	N.A.	—
Camaro	92,444	51.70	N.A.	—	65,801	36.80	N.A.	—	N.A.	—	20,563	11.50	N.A.	—
Citation	N.A.	—	N.A.	—	64,768	39.10	N.A.	—	N.A.	—	100,879	60.90	N.A.	—
Malibu	25,896	22.30	4,761	4.10	84,771	73.00	N.A.	—	697	0.60	N.A.	—	N.A.	—
Monte Carlo	32,984	35.70	5,451	5.90	52,663	57.00	N.A.	—	1,293	1.40	N.A.	—	N.A.	—
Chevrolet	139,063	73.90	19,759	10.50	29,356	15.60	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Corvette	25,407	100.00	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Oldsmobile Division	268,421	38.22	70,575	10.05	221,049	31.48	N.A.	—	12,897	1.84	129,398	18.41	N.A.	—
Omega	N.A.	—	N.A.	—	26,022	33.59	N.A.	—	N.A.	—	51,447	66.41	N.A.	—
Firenza	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	30,108	100.00	N.A.	—
Cutlass/Supreme	36,127	18.59	14,012	7.21	140,136	72.11	N.A.	—	4,062	2.09	N.A.	—	N.A.	—
Cutlass/Ciera	N.A.	—	N.A.	—	44,642	44.06	N.A.	—	8,835	8.72	47,843	47.22	N.A.	—
Oldsmobile	205,857	77.63	49,509	18.67	9,812	3.70	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Toronado	26,437	77.92	7,054	20.79	437	1.24	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Pontiac Division	70,803	13.34	7,970	1.51	209,596	39.50	N.A.	—	1,699	0.33	239,938	45.24	400	0.08
J-2000	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	118,859	100.00	N.A.	—
T1000	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	44,069	99.10	400	0.90
Firebird	64,116	55.10	N.A.	—	34,444	29.60	N.A.	—	N.A.	—	17,804	15.30	N.A.	—
Phoenix	N.A.	—	N.A.	—	12,980	26.40	N.A.	—	N.A.	—	36,185	73.60	N.A.	—
Grand Prix	3,468	4.30	2,581	3.20	74,601	92.50	N.A.	—	N.A.	—	N.A.	—	N.A.	—
Bonneville/LeMans	3,219	4.00	5,389	6.70	71,832	89.30	N.A.	—	N.A.	—	N.A.	—	N.A.	—
6000	N.A.	—	N.A.	—	15,739	38.90	N.A.	—	1,699	4.20	23,021	56.90	N.A.	—
VOLKSWAGEN	N.A.	—	N.A.	—	N.A.	—	N.A.	—	N.A.	—	53,283	51.90	49,381	48.10
Total Cars, U. S.*	1,444,672	25.29	156,261	2.73	1,311,509	22.96	345,961	6.06	24,214	0.42	2,362,370	41.36	67,310	1.18

Note: Figures are generally based on U. S. production. However, some Canadian-only sourced cars, or those where U. S. production does not give an accurate reading of the figures, are included.

Specific models include Chrysler's New Yorker, Gran Fury, Cordoba, Diplomat and Mirada; Ford's standard-sized Ford, EXP and LN7.

Figures are based on production of 5,712,297 U. S. models during the 1982 model year, including 70,898 American Motors cars; 724,548 Chrysler Corp. cars; 1,308,516 Ford Motor cars; 3,505,671 General Motors cars and 102,664 Volkswagen cars.

Wegners still selling GM products—and Datsun—in Pierre, S. D.

75-year-old deal stays in family

By Dolores Harrington
Staff Correspondent

PIERRE, S. D.—When former foundry worker and mill owner Henry John Wegner opened his auto dealership in 1907, he had at least 100 makes to choose from.

Today, his grandsons and great grandson are still keeping the store open, and they've been faithful to his early choice — General Motors.

They sell Oldsmobiles and Buicks. But they also sell Datsuns. H. J. would never have dreamed a foreign country's automobile would sell here. And he certainly never fathomed the computer that makes his place of business part of the GM galaxy of dealers.

H. J. first selected the Reo, made by R. E. Olds, because of its ability to climb hills. Pierre, the booming capital city of a new state, had steep hills.

Family stories claim that when Wegner started his dealership, "There weren't but about 12 cars in the entire city . . . and there was much talk . . . that the automobile was just a toy."

Trucks powered by motors were unheard of.

In the beginning, Wegner Auto Co., Inc., was housed in a basement from which cars were sold and repaired. One year later, a first floor was added, for storing cars.

• In order to supplement car sales and repair service revenue, Wegner provided two livery cars to transport customers about Pierre and its surrounding area, just as did the city's five livery stables.

As well as being one of the early car dealers and taxi services, Wegner was also a pioneer in the "filling station" business. Gasoline was kept in a hollow near his building. When a customer wanted some, he drained it into a can and then put it through a chamois skin into the car's tank.

Soon, Wegner added other lines, including Chalmers and Huppmobile. In 1910, he added Buick. In 1917, he added Dodge automobiles and "made-over" trucks. Two years later, his Buick franchise required taking on a one-ton truck for every five new cars ordered. This line is today's GMC.

In 1923, Henry John's two sons, Lester and Varro, abandoned college careers and entered the auto business full time.

In 1925, the dealership turned its full energies to selling Buicks.

Some sales stats: In 1926, Wegner Auto Co. sold 45 new Buicks, dropping to 18 in depression-torn 1931 and five in 1932. The following year, new-car sales totaled 2 Buicks and 6 new Oldsmobiles. The latter line was added because it offered 6-cylinder models. Buick had only 8-cylinder cars.

• Expansions in 1919, 1927 and 1954 added only office and garage space because until the late 1950s no one ever bought a car off the lot at Wegner's Each auto was ordered and built to the customer's specifications. In 1954, an adjacent parcel of land was purchased.

In 1958, the company became the Pierre area's first import dealer when it added Opel.

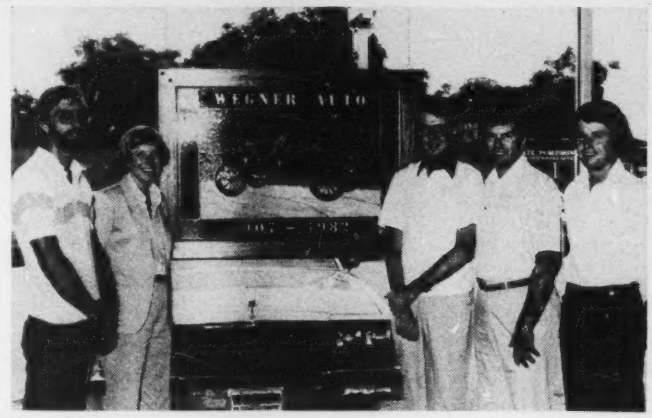
Varro Wegner died in 1959. His two sons, Henry John (Hank) and Tony, joined their uncle Lester in business in the mid-1960s. This third generation assumed ownership in 1966.

Six years later, they moved the company to a new building and a much-expanded lot several blocks from the old site. They expanded their body shop and new and used-car prep space in 1977.

The dealership now occupies 20,000 square feet and a full city block. Computer communication with GM's corporate offices and computer diagnostic equipment are also part of the operation. Present lines are Buick, Olds, GMC Trucks and Datsun.

A member of the fourth generation of Wegners—Jim, who is Hank's son—is now a member of the sales staff.

"With all the dealers closing their doors all over America, I feel our 75th year in business will make others perk up," said Hank. "We're doing well and making money."



Family stays with the GM family

Seventy-five years in the auto business is reason enough to have a stained glass window commissioned, believes Helen Wegner, who presented the artwork to her brothers for the diamond anniversary of Wegner Auto Co., founded by grandfather Henry John Wegner who sold the Reo and later, Buick and Olds. From left, artist Steve Stoneback; Helen Wegner; her brothers Tony and Hank, and Jim, the fourth generation of the family selling GM cars and trucks in Pierre, S. D.

Used car sales
Auction Averages

November	$4,569
Month ago	$4,513
Year ago	$3,964

Model breakdown
Auction Averages

	November Final	October	September
1982	$6,961	$7,962	$8,253
1981	6,141	6,457	6,564
1980	4,904	5,115	5,204
1979	4,479	4,511	4,907
1978	3,424	3,493	3,822
1977	2,822	2,812	3,010
1976	2,001	2,091	1,976
1975	1,288	1,355	1,271
OVERALL AVERAGE	$4,569	$4,513	$4,801

factories list auction dates

Chrysler Corporation

Dec. 7—Baltimore Washington Auto Exchange, Baltimore, Md.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Hatfield Auto Auction, Hatfield, Pa., and Portland Auto Auction, Portland, Ore.

Dec. 8 — South Seattle Auto Auction, Kent, Wash.

Dec. 9 — Northway Exchange, Clifton Park, N. Y.

Dec. 10 — Denver Auto Auction, Englewood, Colo.

Police patrol cars tested before purchase in Georgia

ATLANTA. — So many of today's high-performance cars are making sissies of state patrol cars around the South that the heads of patrols in several states are considering the purchase of some of the speedier models.

Patrolmen from 10 states gathered in Atlanta to see Dodge, Ford and Chevrolet cars go through acceleration, braking and handling tests.

It was the first time such tests have been conducted in Atlanta. They were held at The Atlanta International Raceway in nearby Hampton and at the Atlanta race track near Gainesville.

The Georgia patrol has three Mustangs and three Pontiac Trans Ams in its fleet as test models. Within the next six months, the state may buy 50 performance cars to be used as pursuit cars and another 140 standard police vehicles.

Lt. Bill Grant, who organized the tryouts, said testing the cars in Georgia is part of a new policy.

"In order to make bids to sell cars to the Georgia State Patrol, the manufacturers must bring the cars to Georgia, and the cars have to make a passing score on our tests," he said.

Grant contends that tests made in the Detroit area for the patrol cars rarely give practical results. Categories such as acceleration, speed and handling are rated in separate experiments.

During the tests here, patrolmen were allowed to test-drive the 1983 cars — a Chevrolet Impala, a Dodge Diplomat, a Ford Mustang, a Ford LTD and a Thunderbird prototype.

Cunningham appointed

KANSAS CITY. — Robert A. Cunningham, president and owner of Cunningham Oldsmobile, Inc., Kansas City, has been appointed to the Rockhurst College board of regents.

Pacer presentation

DETROIT. — The first Pacer built by American Motors has been presented to the Detroit Historical Museum by Capt. Robert H. Jones. AMC produced the Pacer from 1975 to 1980.

used-car auction directory

Display Rates: $84.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time, $20.00; 13-times, $18.50; 26-times, $16.50; 52-times, $13.50. For Frequency Display Rates Contact Want Ad Dept., Automotive News, 965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

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Cooperation between auto firms seen as vital

Saab chief discusses survival

Continued from Page 12

cial and military aircraft, satellites, and missiles—and we are greatly specialized in each of our fields of activity.

Q. Coming back to cars, will the Saab-Lancia model be an addition to your present range, or will the new car replace the ones you are now manufacturing?

A. They will overlap for a while, but we intend to motivate our customers into eventually buying a car of the new generation. The new car will be in the same price range, but it will be quite different from the 900 series. In the meantime, we will keep developing the 900, which will remain a modern car for many, many years.

Q. Will the new car help you increase your overall production?

A. We could easily produce 110,000 and 120,000 cars now with the large additional investment. We do not intend to go beyond that. There are advantages in being a small manufacturer; it allows you to be flexible and innovative. We don't have many engineers in comparison with the giants; but we have excellent people, and we are in a very good position to make use of all the technical knowledge we have in the company.

For example, our new truck program is the first in the world to put a truck through windtunnel tests. We have access to tremendous knowledge in electronics and the use of new material through our aerospace division. Our people are working with new material for the airplanes of the future. This can be of great benefit to our car division.

Q. Saab is a factor in Scandinavia and the U. S. On the whole, however, your dealer network is quite weak throughout Europe.

A. The truth is that we did not have really good export products until quite recently. It was not until the 70s that we actually produced cars that could be successful abroad. Then came the oil crisis in 1973, which made it very difficult to motivate dealers outside of Sweden. Nobody was ready to invest in new facilities and equipment. Then came the Japanese, who collected dealers and made it difficult for us to find the ones we needed.

Today, more and more distributors abroad are interested in selling our cars now that we have the Saab 900 series and especially the Turbo. We have our own sales organization in Scandinavia, England, Germany and the U. S. We have very good partners in Switzerland and in Italy. We just opened our own subsidiary in France.

Q. At what sales level can you break even with your own outlets in a foreign country?

A. It differs from market to market. In the U. S. we will sell around 18,000 cars this year and make a good profit. Every second car we sell in America is a turbo, and we sell them with a good profit margin. We sell around 10,000 cars in England, and that is the break-even point there. In countries like Denmark and Norway, we are profitable while selling about 2,500 units yearly; but you should not forget that we have a manufacturing profit to start with.

Q. You also finance some dealerships on your own.

A. Yes, whenever we fail to find a good dealer in a major city. We did it in Frankfurt, Antwerp, London and several other places in England. We will probably have to do it in Paris and Brussels, and we are going to open a showroom in Manhattan. We do not intend to keep these dealerships forever but are ready to sell them when they become profitable.

Q. Considering the limited number of Saab dealers in most European countries, why should anyone want to buy a Saab?

A. I recently asked a large Cadillac dealer in the U. S. why he was so interested in selling Saabs and Saab Turbos when he was selling Cadillacs and could sell any other make. His answer was simple: "Why should I sell a copy when I can sell the original!"

Actually, I believe we have a good quality car with status. Lots of people, particularly in the U. S., like to own a foreign car that gives prestige. In Europe, the Saab is considered a connoisseur's car, an individualist's car.

Q. In which areas do you feel that Saab-Scania will develop fastest—trucks, aerospace, cars?

A. The truck market is down the world over at present, but we had four consecutive fantastic years in this area. Even though the market will still be depressed in 1983, we have a very good potential in this field.

We have had our problems in the aerospace business, because the Swedish government hesitated for 10 years before deciding on a new generation of military planes; but Parliament made the decision at long last in June, and we have the contract. Our commuter plane will also help us develop that part of our business tremendously.

As far as cars are concerned, I have told you that we are quite optimistic. I believe that we will become more and more international over the next few years. We now export about 60 percent of our production, and I hope we reach 75 percent in five years. There is no alternative to exports for a company operating in as small a country as Sweden.

Q. How easy or difficult is it operating a private company in a socialist country?

A. We have lived with socialist governments, as a private enterprise, for 44 years, until 1976 when the Conservatives and Liberals came to power. The Social Democrats in Sweden have been moderate, and I hope they don't change. The real threat presented by the Socialist party in the last election campaign is what they call the "wage earners' fund." They would like every company to set up a fund that would help the public to take over the company partly, in one way or another. Many promises are made during campaigns, but I don't think anybody really knows what is going to happen in this case.

Q. How do you motivate your people with your high taxation?

A. That, of course, is a problem, but people won't work just for money. Therefore, you must prove to them that the company is dynamic, that it invests in the future, that it is developing. You have to create a good environment, a good atmosphere, so that people enjoy their work and really feel that they are achieving something. Our people were no longer motivated a few years ago; but we have invested in new programs, and that has changed the climate.

We have been able to make a good profit while investing a lot, so that all of our investments could be self-financed. I have a policy of no borrowing. When you live in a technologically risky world, you have to make your own money, invest from your own profits. We have not borrowed any money in the last four years, except that the Federal Reserve Bank of Sweden compels us to borrow money abroad when we want to invest overseas—we are not allowed to send money from Sweden.

Q. When do you think the world recession will come to an end?

A. Nobody can answer that. We live in a very exceptional world. We have all the problems coming from the Middle East, from the oil-producing countries. We have a new policy in the U. S. with Reagan's anti-inflation action and its high interest rates. I don't think anything good is going to happen until we get the interest rate down.

We have started a big employment program at Saab for youngsters between 16 and 19 without really having jobs for them. We don't hire them as regular employes, but as trainees to further their education. In close cooperation with the unions and with some help from the government, we try to give them a friendly attitude toward industry, to show them that the jobs can be interesting, that the pay is good.

If we didn't do this, we would be short of industrial workers in a few years when we need them. We took on 500 youngsters this year, and it looks as though 80 percent will stay with us. Industry just has to contribute and help society. If we don't do it now, we might be sorry about it five or ten years from now."

DECORATIVE ROOF OPTIONS ON 1982 U. S. MODELS

	Vinyl Roofs	Percent of Output	Electric Slide Sunroofs	Percent of Output	Pop-up Sunroofs	Percent of Output	T-roof	Percent of Output
AMERICAN MOTORS	28,378	40.03	NA	—	2,041	2.88	NA	—
Spirit	NA	—	NA	—	648	3.21	NA	—
Concord	22,975	68.19	NA	—	337	1.00	NA	—
Eagle/SX4	5,403	31.74	NA	—	1,056	6.20	NA	—
CHRYSLER CORP.	213,496	29.47	2,881	0.40	11,699	1.62	1,438	0.20
C-P Total	170,078	37.93	2,828	0.63	6,033	1.35	536	0.12
Horizon	NA	—	NA	—	NA	—	NA	—
TC-3	NA	—	NA	—	3,627	8.50	NA	—
Reliant	15,445	9.50	NA	—	650	0.40	NA	—
Gran Fury	2,081	11.10	NA	—	NA	—	NA	—
Imperial	NA	—	NA	—	NA	—	NA	—
Cordoba	17,060	89.10	NA	—	NA	—	536	2.80
LeBaron	78,929	76.40	NA	—	1,756	1.70	NA	—
New Yorker	56,563	100.00	2,928	5.00	NA	—	NA	—
Dodge Total	43,418	15.72	53	0.02	5,666	2.05	902	0.33
024	NA	—	NA	—	4,376	9.60	NA	—
Omni	NA	—	NA	—	NA	—	NA	—
Aries	11,626	9.30	NA	—	500	0.40	NA	—
Diplomat	5,514	21.00	53	0.20	NA	—	NA	—
Dodge 400	21,222	61.80	NA	—	790	2.30	NA	—
Mirada	5,056	59.4	NA	—	NA	—	902	10.60
FORD MOTOR	273,258	20.88	7,859	0.60	59,870	4.58	18,945	1.45
Ford Division	135,130	15.26	NA	—	39,720	4.49	15,259	1.72
Escort	NA	—	NA	—	8,597	2.70	NA	—
EXP	NA	—	NA	—	8,358	36.90	NA	—
Must./Must II	2,869	2.20	NA	—	16,824	12.90	15,259	11.70
Granada	19,853	16.50	NA	—	602	0.50	NA	—
T-Bird	40,402	89.50	NA	—	3,295	7.30	NA	—
Ford	59,488	49.30	NA	—	NA	—	NA	—
Fairmont	12,518	9.80	NA	—	2,044	1.60	NA	—
L-M Division	138,128	32.64	7,859	1.86	20,150	4.76	3,686	0.87
LN7	NA	—	NA	—	5,216	45.20	NA	—
Lynx	NA	—	NA	—	3,904	3.90	NA	—
Capri	NA	—	NA	—	9,034	25.00	3,686	10.20
Zephyr	5,004	12.80	NA	—	743	1.90	NA	—
Cougar	7,688	13.50	NA	—	342	0.60	NA	—
XR-7	15,113	89.60	NA	—	911	5.40	NA	—
Mercury	60,877	78.90	NA	—	NA	—	NA	—
Continental	NA	—	1,339	5.60	NA	—	NA	—
Lincoln	23,110	65.90	1,753	5.00	NA	—	NA	—
Mark VI	26,336	100.00	4,767	18.10	NA	—	NA	—
GENERAL MOTORS	932,469	26.60	52,345	1.49	37,155	1.06	137,997	39.36
Buick Division	331,635	44.82	15,260	2.06	7,443	1.01	3,359	0.45
Skylark	22,580	15.62	NA	—	1,879	1.30	NA	—
Skyhawk	NA	—	NA	—	3,402	7.10	NA	—
Century	26,256	25.50	NA	—	2,162	2.10	NA	—
Regal	124,250	55.12	3,922	1.74	NA	—	3,359	1.49
Buick	124,689	71.23	3,939	2.25	NA	—	NA	—
Riviera	33,860	76.83	7,399	16.79	NA	—	NA	—
Cadillac Division	111,743	47.43	16,301	6.92	7,375	3.13	NA	—
Cimarron	NA	—	NA	—	7,375	28.40	NA	—
Seville	NA	—	2,960	14.80	NA	—	NA	—
Eldorado	24,917	47.90	7,699	14.80	NA	—	NA	—
Cadillac	86,826	63.10	5,642	4.10	NA	—	NA	—
Chevrolet Division	68,340	5.27	NA	—	12,567	0.97	81,473	6.28
Chevette	NA	—	NA	—	NA	—	NA	—
Cavalier	NA	—	NA	—	9,751	5.00	NA	—
Celebrity	9,785	10.60	NA	—	NA	—	NA	—
Camaro	NA	—	NA	—	NA	—	50,245	28.10
Citation	NA	—	NA	—	2,816	1.70	NA	—
Malibu	NA	—	NA	—	NA	—	NA	—
Monte Carlo	29,011	31.40	NA	—	NA	—	5,821	6.30
Chevrolet	29,544	15.70	NA	—	NA	—	NA	—
Corvette	NA	—	NA	—	NA	—	25,407	100.00
Oldsmobile Division	327,458	46.63	16,510	2.36	1,123	0.16	7,231	1.03
Omega	11,597	14.97	NA	—	1,123	1.45	NA	—
Firenza	NA	—	NA	—	NA	—	NA	—
Cutlass/Supreme	87,160	44.85	3,226	1.66	NA	—	4,820	2.48
Cutlass/Ciera	23,030	22.73	NA	—	NA	—	2,411	2.38
Oldsmobile	180,666	68.13	6,576	2.48	NA	—	NA	—
Toronado	25,005	73.70	6,708	19.77	NA	—	NA	—
Pontiac Division	93,293	17.58	4,274	0.81	8,647	1.63	45,934	8.66
J-2000	NA	—	NA	—	6,418	5.40	NA	—
T1000	NA	—	NA	—	NA	—	NA	—
Firebird	NA	—	NA	—	NA	—	40,611	34.90
Phoenix	3,373	6.86	NA	—	934	1.90	NA	—
Grand Prix	57,261	71.00	4,274	5.30	NA	—	5,323	6.60
Bonneville/LeMans	32,659	40.60	NA	—	NA	—	NA	—
6000	NA	—	NA	—	1,295	3.20	NA	—
VOLKSWAGEN	NA	—	NA	—	NA	—	NA	—
Total Cars, U. S.	1,447,601	25.34	63,085	1.11	110,765	1.94	158,380	2.77

Note: Figures are generally based on U. S. production. However, some Canadian-only sourced cars, or those where U. S. production does not give an accurate reading of the figures, are included.

Specific models include Chrysler's Gran Fury, Cordoba, New Yorker, Diplomat and Mirada; Ford's standard-sized Ford, EXP and LN7.

Figures are based on production of 5,712,297 U. S. models during 1982 model year, including 70,898 American Motors cars; 724,548 Chrysler Corp. cars; 1,308,516 Ford Motor Cars; 3,505,671 General Motors cars and 102,664 Volkswagen cars.

Total of 96,216 is 9.21 percent more than year ago

U. S. car output beats '81 week

By Patricia Hoffman
Staff Writer

The resumption of normal five-day operations at most assembly points last week pulled domestic auto production up substantially from the previous week, shortened by the Thanksgiving holiday. Output also was up from the comparable 1981 period.

Last week, the makers estimated a build of 96,216 units, a 45.29 percent gain from 66,224 cars built during three days of assembly the previous week, and up 9.21 percent from last year's 88,100 units.

Year-to-date, there have been 4,771,877 units assembled, a 20.65 percent decline from 6,013,443 built in the comparable period last year.

There were six facilities idled last week due to high inventories. They were: General Motors' Doraville, Lordstown and Tarrytown points, plus Ford Motor's Metuchen, San Jose and Wayne facilities.

GM's Bowling Green and Ford's Lorain points remained closed last week for model changeover. Production of 1983 Corvettes is slated to begin at Bowling Green Jan. 3. About 1,000 workers will be recalled from temporary layoff. The Ford Lorain plant is scheduled to resume sometime next month.

GM's Detroit (Cadillac) facility operated 1.6 hours of daily overtime on two shifts last week, plus eight hours on Saturday (Dec. 4).

Also working Saturday was GM's Arlington (Malibu, Monte Carlo and Regal) facility.

Production of the Ford Crown Victoria began last week at the company's St. Louis facility. Output is at a rate of 8.6 units an hour on two shifts.

GM's Van Nuys (Camaro and Firebird) and Wilmington (Chevette and 1000) points returned last week, following a three-week downtime to control overstocked inventories.

Truck production for week tops '81 level by 64 pct.

Domestic-truck production jumped 48.55 percent last week from the shortened holiday week, and output rose 64.12 percent from the comparable 1981 period.

Last week, the makers targeted output at 35,980 units, up substantially from 24,220 trucks built during three days of assembly the previous week, and up from 21,923 units in the comparable 1981 period.

So far this year, the manufacturers have completed 1,781,220 units, a 16.08 percent gain from 1,534,430 finished in the same period last year.

Normal five-day operations resumed at all but two assembly points last week (Nov. 29) following the holiday, and Saturday overtime was scheduled at one General Motors facility.

Chrysler Corp.'s Warren truck facility and one shift at Ford Motor Co.'s Louisville point were idle last week for inventory control.

GM's Pontiac coach line, idled last August, remained down last week due to lack of orders. Production is slated to resume next month.

Volkswagen of America's Westmoreland point remained closed last week for model changeover. Assembly of 1983 model trucks is slated to begin this month.

GM's Lordstown facility operated six days last week.

Also at GM, production resumed at the Janesville point following a three-week downtime to control high inventory.

BL adds 1,100 workers for launch of new Maestro

COWLEY, England. — BL's Austin Rover Division is taking on an additional 1,100 workers at its factory here in preparation for the launch of the new medium-range LM10 hatchback.

The model — which is widely tipped to carry the name Maestro—will be launched March 1 and make its public debut at the Geneva Auto Show. It will go on sale in the UK in the spring and in European markets in the fall.

By launch date, Cowley is expected to be producing 2,500 Maestros a week.

At the same time, the additional manpower will enable output of the Rover sedan to be lifted from 850 to 1,000 a week in response to increased demand, says the company.

The recruiting was given only a lukewarm reception by employes, who have seen total BL employment levels halved to around 100,000 over the past five years.

LM10 is a five-door hatchback which fits into the Ford Escort/Volkswagen Rabbit category.

It is an area where Austin Rover is particularly weak, following the deletion of the Allegro and Maxi models. Its representation rests solely with the aging Ital sedan and the more modern Triumph Acclaim, assembled from Honda kits.

In March, 1984, Austin Rover will unveil the three-box sedan version of the LM10, known as LM11.

Canadian output of cars plummets; five plants shut

With just two car assembly points operating last week, Canadian auto production fell a substantial 58.57 percent from the previous week's total, and output dropped 47.91 percent from the comparable 1981 figure.

Last week, the car makers scheduled 7,140 units, down from 17,235 the previous week, and down from last year's 13,708 units.

So far this year, the car manufacturers have finished 779,783 units, a 3.22 percent gain from 755,445 built in the comparable period last year.

Truck production last week was slated at 7,160 units, down 2.07 percent from the previous week's 7,311, and a 15.34 percent decline from last year's 8,457.

Year-to-date, the truck manufacturers have assembled 453,678 units, down 5.05 percent from 477,792 trucks completed in the comparable 1981 period.

General Motors' Oshawa car point, and Ford Motor Co.'s St. Thomas plant joined the downtime lineup last week, bringing the total number of idled car facilities to five. The Oshawa car operations will be idle two weeks due to poor sales. Operations are slated to resume Dec. 13. The Ford St. Thomas plant closed for one week for inventory control. Production is scheduled to return today (Dec 6).

American Motor's Brampton facility, idled Nov. 15, remained closed last week for inventory control. Operations are slated to resume Dec. 13.

Also still down for inventory control was Volvo's Halifax point. Production was idled at the plant Nov. 22.

Chrysler Corp.'s Windsor car and truck facilities remained closed last week due to a strike.

The GM Oshawa truck facility will close for one week starting today due to poor sales.

U. S. CAR PRODUCTION

	Week Ended Dec. 4, 1982	Week Ended Dec. 5, 1981	Week Ended Nov. 27, 1982	Nov. Est.	Jan. 1 to Dec. 5, 1981	Jan. 1 to Dec. 4, 1982
AMERICAN MOTORS	4,400	.....	2,310	16,135	109,672*	96,926
AMC Total	800	.....	488	3,242	.....	49,050
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
Renault Total	3,600	.....	1,822	12,893	.....	47,876
Alliance	3,600	.....	1,822	12,893	.....	47,876
CHRYSLER CORP.	14,750	11,367	8,926	50,935	718,791	558,843
Plymouth Total	6,450	4,750	3,644	19,069	352,490	224,774
Horizon	2,500	2,288	1,092	4,381	132,990	71,598
Reliant	3,900	2,462	2,478	14,345	209,913	151,809
Caravelle ('81)	.....	.....	.....	.....	2,139	.....
Caravelle ('83)	50	.....	74	293	.....	1,367
Gran Fury	.....	.....	.....	.....	7,448	.....
Chrysler Total	2,200	1,459	1,328	9,555	52,553	107,157
LeBaron	1,300	1,459	772	5,297	47,691	91,301
Chrysler	.....	.....	.....	.....	4,862	.....
Chrysler E-Class	900	.....	556	4,258	.....	15,856
Dodge Total	6,100	5,158	3,954	22,311	313,748	226,912
Omni	1,700	2,277	1,401	4,336	119,228	66,742
Aries	3,100	1,911	1,717	13,119	165,543	120,458
Diplomat	.....	.....	.....	.....	12,644	.....
Dodge 400	500	970	347	2,168	12,651	29,056
Dodge 600	800	.....	489	2,688	.....	10,656
St. Regis	.....	.....	.....	.....	3,682	.....
FORD MOTOR	19,341	3,257	18,087	101,281	1,260,185	1,027,875
Ford Division	11,018	1,392	11,697	61,447	852,281	641,958
Escort	.....	1,156	4,462	18,792	339,010	247,400
Fairmont	3,199	.....	2,170	14,251	170,264	119,782
Mustang	3,193	.....	2,266	8,765	142,994	117,893
LTD/Granada	4,410	.....	2,755	19,183	96,413	121,128
Thunderbird	.....	.....	.....	10	61,126	29,326
Crown Victoria/Ford	216	.....	.....	55	40,886	216
EXP	.....	236	44	391	1,588	6,213
L-M Division	8,323	1,865	6,390	39,834	407,904	385,917
Mercury Total	5,927	1,865	5,175	30,529	347,123	294,786
Lynx	.....	321	1,174	5,215	113,336	76,532
Capri	712	.....	456	1,742	47,193	31,676
Zephyr	752	.....	546	4,110	48,905	37,733
Marquis/Cougar	1,766	.....	1,212	7,560	46,219	54,613
Cougar/XR7	.....	.....	.....	10	28,168	10,580
Gr. Marquis/Marquis	2,697	1,307	1,756	11,726	62,293	81,934
LN7	.....	237	31	166	1,009	1,718
Lincoln Total	2,396	.....	1,215	9,305	60,781	91,131
Continental ('82)	480	.....	243	1,861	10,673	187,551
Lincoln	1,437	.....	727	5,579	25,527	44,580
Mark VI	479	.....	245	1,865	24,581	27,796
GENERAL MOTORS	55,025	73,476	35,110	221,813	3,768,560	3,007,170
Buick Division	15,132	14,746	9,715	55,023	828,281	705,587
Skylark	3,420	3,784	2,059	7,471	251,125	131,054
Skyhawk J	1,204	.....	606	3,057	.....	61,562
Century	508	1,889	1,574	7,681	97,837	104,673
Regal	4,940	4,713	2,449	16,682	250,847	195,541
Buick	3,960	3,312	2,441	16,140	163,488	172,202
Riviera	1,100	1,048	586	3,992	64,984	40,555
Cadillac Division	7,000	4,815	3,708	26,322	245,616	229,209
Cimarron	540	144	294	1,884	21,981	8,879
Seville	548	236	354	2,344	22,526	21,236
Eldorado	1,232	912	757	5,053	54,709	53,237
Cadillac	4,680	3,523	2,303	17,041	146,400	145,857
Chevrolet Division	13,510	25,489	7,750	53,905	1,385,175	946,732
Chevette	.....	7,580	.....	5,107	334,977	189,987
Cavalier	1,860	1,592	1,038	7,909	133,694	87,160
Celebrity	1,292	3,395	721	3,292	14,554	62,544
Camaro	3,898	1,926	1,483	12,194	93,967	203,434
Citation	1,200	4,036	1,602	5,171	288,470	149,823
Malibu	2,355	3,118	1,363	10,285	215,726	116,526
Monte Carlo	2,045	2,899	1,235	7,881	131,820	75,343
Chevrolet	860	333	308	2,066	145,671	39,401
Corvette	.....	610	.....	.....	26,296	22,514
Oldsmobile Division	15,908	14,746	10,977	68,706	796,811	726,916
Omega	1,640	1,180	1,021	3,297	126,962	71,454
Firenza	966	.....	676	3,181	.....	42,409
Cutlass	6,300	4,788	3,134	21,911	349,249	201,393
Cutlass/Ciera	.....	2,795	1,681	11,366	16,102	114,467
Oldsmobile	6,180	5,498	3,936	25,429	262,217	264,763
Toronado	822	485	529	3,522	42,281	32,430
Pontiac Division	3,475	13,680	2,960	17,857	512,677	398,726
Acadian†	.....	219	.....	134	18,016	9,489
2000	.....	4,392	988	2,204	87,093	36,720
1000	305	1,519	.....	610	85,540	33,065
Firebird	1,570	812	460	5,280	46,737	119,796
Phoenix	.....	1,463	485	2,068	92,580	43,593
G. Prix/B'ville ('83)	1,600	3,509	1,027	7,561	119,371	125,721
A6000	.....	1,766	.....	.....	11,249	30,342
LeMans	.....	.....	.....	.....	42,027	.....
Pontiac	.....	.....	.....	.....	10,064	.....
HONDA*	100*	.....	60*	300*	.....	360*
VOLKSWAGEN	2,600	.....	1,731	9,322	154,226	78,540
CHECKER	.....	.....	.....	.....	2,009*	2,163*
Total Cars, U. S.	96,216	88,100	66,224	399,786	6,013,443	4,771,877

CANADIAN CAR PRODUCTION

	Week Ended Dec. 4, 1982	Week Ended Dec. 5, 1981	Week Ended Nov. 27, 1982	Nov. Est.	Jan. 1 to Dec. 5, 1981	Jan. 1 to Dec. 4, 1982
AMERICAN MOTORS	.....	.....	.....	2,437	32,578	28,252
CHRYSLER CORP.	.....	1,950	.....	6,368	61,609	144,488
FORD MOTOR	3,360	4,254	8,449	19,594	197,640	265,926
GENERAL MOTORS	3,780	7,279	8,786	31,368	453,833	331,885
VOLVO	.....	225	.....	630	9,785	9,232
Total Cars, Canada	7,140	13,708	17,235	60,397	755,445	779,783
N. American Cars	103,356	101,808	83,459	460,183	6,768,888	5,551,660
N. American Trucks	43,140	30,380	56,155	156,059	2,012,222	2,234,898
North American Cars and Trucks	146,496	132,188	139,614	616,242	8,781,110	7,786,558

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.
*—Honda figures are estimated. Actual Honda production totals will be released next Spring.

TRUCK PRODUCTION IN U. S.†

	Week Ended Dec. 4, 1982	Week Ended Dec. 5, 1981	Week Ended Nov. 27, 1982	Nov. Est.	Jan. 1 to Dec. 5, 1981	Jan. 1 to Dec. 4, 1982
CHEVROLET	13,655	7,470	7,305	40,990	438,394	615,396
DODGE	150	2,873	1,400	8,130	89,477	115,233
FORD	14,049	4,348	11,241	47,594	592,086	650,722
GMC	3,991	4,638	2,086	12,460	162,418	212,328
INTERNATIONAL	1,030	1,144	626	3,324	64,790	43,590
VOLKSWAGEN	.....	.....	.....	.....	35,771	8,103
JEEP	2,055	.....	512	6,996	83,868*	81,568
AM GENERAL	50*	50*	50*	220*	3,486*	2,280*
MISCELLANEOUS	1,000*	1,400*	1,000*	4,400*	64,120*	32,000*
Total Trucks, U. S.	35,980	21,923	24,220	124,122	1,534,430	1,781,220

CANADIAN TRUCK PRODUCTION

	Week Ended Dec. 4, 1982	Week Ended Dec. 5, 1981	Week Ended Nov. 27, 1982	Nov. Est.	Jan. 1 to Dec. 5, 1981	Jan. 1 to Dec. 4, 1982
CHRYSLER CORP.	.....	2,099	.....	4,191	80,093	92,404
FORD MOTOR	2,800	300	2,932	10,364	129,131	127,268
GENERAL MOTORS	4,100	5,820	4,118	16,231	257,717	223,491
INTERNATIONAL	260	238	261	1,151	10,851	10,515
Total Trucks, Canada	7,160	8,457	7,311	31,937	477,792	453,678
N. American Trucks	43,140	30,380	56,155	156,059	2,012,222	2,234,898

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

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Higher sales, lower output trim inventory to 52 days

By Richard A. Wright
Assistant Managing Editor

The domestic new-car inventory plunged sharply during November to a 52-day supply Dec. 1, down from 69 days on Nov. 1, partly because the sales rate picked up a bit, but mainly through the simple expedient of not building very many cars.

The domestic new-car inventory totaled 1,164,338 units Dec. 1, down from 1,295,704 a month earlier. A year ago, the industry had 1,491,078 new cars in stock Dec. 1, an 83-day supply.

Much of the industry's cutback was accomplished by General Motors, which chopped into its inventory with a vengence. While the lean 52-day supply could quickly become riddled with shortages in the event of a sales upturn, the industry is not worried about this.

More troublesome was the prospect of heavy stocks at high floorplan interest rates carried through the winter sales doldrums.

GM trimmed its inventory from 69 days a month earlier to a lean 47-day supply Dec. 1. A number of its bigger-selling lines, including Chevette, were in relatively short supply and the very heavy stocks of A and J-bodies which had persisted a month ago had been brought into line.

Ford Motor Co. opened December with a 57-day supply, down from a 71-day stockpile a month earlier.

Chrysler Corp., on the other hand, boosted its inventory from 64 to 69 days during the month, largely because its sales rate did not pick up during November as did Ford's and GM's.

American Motors opened December with a 79-day supply, off only slightly from 80 days a month earlier, and Volkswagen of America had a 67-day supply Dec. 1, down a bit from 72.

The Dec. 1 domestic inventory was divided this way: GM, 57.58 percent; Ford Motor Co., 23.93 percent; Chrysler Corp., 13.29 percent; AMC, 3.65 percent, and VWoA, 1.55 percent.

A month earlier, the domestic inventory was divided as follows: GM, 60.63 percent; Ford Motor Co., 22.31 percent; Chrysler Corp., 12.59 percent; AMC, 3.03 percent, and VWoA, 1.44 percent.

By size class, small cars continued in heavier supply than big cars, but the gap was narrowed and the Dec. 1 inventory appeared to be in better balance than has been the case for some time.

Subcompacts were in 59½-days supply, down from 84 a month earlier; compacts, 57 days, down from 79; intermediates, 49 days, down from 69; standards, 49½ days, down from 57, and luxury cars, 41 days,

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Spying on Lincoln

Mark VII to debut in 1984

Spy photos of a prototype 1984 Lincoln Mark VII show a two-door model nearly a foot and a half shorter than the '83. It will share a platform with today's Continental. A 5-liter V-8 and BMW's 2.4-liter turbo-diesel V-6 are expected to be offered. The new Continental, which bears a striking styling similarity to the Continental Concept 90 show car, is to have a 108.6-inch wheelbase, an overall length of about 203 inches and a weight of 3,500 pounds.

Subaru to enhance its U.S. lineup with turbo, 2+2 and maybe a mini

By John A. Russell
New York Staff Writer

NEW YORK. — Moving to enrich its model mix, Subaru of America plans to introduce turbocharging on selected models and a two plus two sports coupe within the next two years and is strongly contemplating the introduction of a minicar to the U. S. market.

Harvey Lamm, president of SoA, said that a turbocharged 1.8-liter fuel-injected engine would be offered during the 1983 calendar year for its four-wheel-drive, automatic-transmission cars, which would mean the hardtop and four-door GL series.

He stressed that the car would be the lowest-priced turbo four-wheel-drive car available, but he would not reveal any further details on the project.

Speaking before the New York Auto Analysts Assn., Lamm said the strategy over the next few years is to enrich the model mix and concentrate on the upper end and lower ends of the range.

After the meeting, he told AUTOMOTIVE NEWS that plans call for the introduction of the two-plus-two line in 1984 for model year 1985.

The car is similar in concept to the Pontiac P-car, he said. There will be two versions, one sporty and the other, a high-performance, turbocharged model, will be offered "for sure."

Lamm emphasized that even if the voluntary restrictions under which all importers of Japanese cars operate continue into 1985, it "won't stop" the introduction of this car.

• The restrictions might, however, have an effect on another area SoA wants to explore and, at this stage of the game, pave the way: The minicar market. Various manufacturers have talked about the potential of this market in the U. S., but none, thus far, has made any firm plans to introduce this type of vehicle to the U. S.

SoA, according to Lamm, has been looking at the concept for several years, and he declared that if conditions were different for Japanese manufacturers, Subaru would have introduced such a car "two years ago."

In Japan, Subaru offers a minicar called the Rex, but Lamm said the one intended for the U. S. would not be the Rex, but a newly designed concept. If restrictions continue for the '85 model year, it might stop the introduction of this car, he said.

Lamm would not reveal any more details on the new products, but it seems certain that the sport coupe would be pow-

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Peck denies charges of 'secret' auto talks

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — NHTSA head Raymond A. Peck has responded to Joan Claybrook's charge of "secret" talks with the auto industry about government-industry cooperation in research.

Peck said that on two occasions—March 23 before a House Energy Subcommittee and March 24 before an Appropriations Subcommittee — he informed Congress and the world that NHTSA had started a program to coordinate NHTSA's research with that of the auto companies.

Both times, Peck explained that early targets would be side-impact protection and improved safety of steering columns. The purpose, said Peck, was "more efficient use of R&D resources and ultimately the incorporation of safety improvements in production of motor vehicles at a faster rate than has been possible through regulation alone."

This clears NHTSA of charges of being secretive, but during Peck's appearance before a hearing held jointly by a House Science Subcommittee and a House Energy and Commerce Subcommittee, he was still questioned closely about the propriety of the meetings and the program.

NHTSA Research Officer Michael Finkelstein said he had checked with Dr. Robert Hess at the Highway Safety Research Institute at the University of Michigan and Hess had confirmed Claybrook's statements—that he vigorously objected to the cooperative research program and thought that independent researchers should also have been invited.

A subsequent check with Dr. B. J. Campbell — another respected safety expert — had elicited the same opinion.

Rep. Dan Glickman, Kansas Democrat, warned against even the appearance that industry might be trying to manipulate research and, through it, regulation. He warned of the need for an "arm's length relationship" with industry.

• The appropriateness of joint effort on side-impact protection was raised since it had been from 1979 the subject of an Advance Notice of Proposed Rulemaking. To the layman and even to lawmakers, this indicates a subject for writing a regulation. But NHTSA Chief Counsel Frank Bernd testified it had "no legal significance" — that it existed as one of many ways to elicit data.

Finkelstein described it as a "candidate" for standard-setting. Peck said it was a "custom, a convention" but that "in law," there is no such thing as an advance notice. Further, he said, it was only because of an "ex-

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breaking news

Aluminized steel shines in GM's P-car

DETROIT. — There's plenty of news for steel producers when it comes to the Pontiac Fiero, better known as the General Motors P-body. The sporty little mid-engine car will have a plastic skin over steel framework. The steel will be light in weight and coated with aluminum. Aluminized steel now is used in virtually all exhaust systems and in some under-the-hood parts such as heat shields. The light metal is applied by a hot-dip technique. Aluminizing is better than galvanizing, steel men say, because it better withstands welding and is more resistant to corrosion.

Chrysler to bring back rumble seat

DETROIT.—Chrysler Corp. will introduce '83½ rumble seat versions of its Chrysler LeBaron and Dodge 400 convertibles. The new models will bow "in time for warm weath-

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Information lacking from NHTSA

Lull in crashworthiness program

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — What has happened in NHTSA's assessment of new-car crashworthiness in the two years since Joan Claybrook flamboyantly introduced The Car Book, replete with matchstick men implying death or survival after a 35-MPH crash into a brick wall?

Has NHTSA head Raymond A. Peck ignored the recommendations of a December, 1980, report on small-car safety that estimated modest changes in the restraint system plus an upgrading of steering column assembly can enhance safety in small cars?

Has there been so much delay in announcing even the preliminary results of high-speed crash tests on '82 models that the information is useless to consumers?

What has happened to the recommendations of the international meeting held Dec. 8-9 in Lancaster, Pa., on the new-car assessment program?

When Kansas Democrat Dan Glickman in a recent congressional hearing noted that the 1972 law mandates ranking makes and models according to their crashworthiness in a "simple and readily understandable form," Peck said NHTSA is releasing all data but without "pass/fail" labels.

(The most recent release on Nov. 18 cites the clear superiority of a Chevrolet Celebrity, but NHTSA still has a number of '82 models to go. They include: Chevette four-door hatchback, Cavalier two-door, Impala four-door, Dodge Colt four-door hatchback, Ford Granada four-door, Lincoln Continental four-door, Mazda 626 four-door, Renault Fuego two-door, Toyota Corona four-door and VW Quantum four-door.)

• Peck, who had allowed the revised Car Book to go into a second printing, said the book "was not responsive to what people wanted," said there were a "couple of thousand left over" and predicted any attempts to make another one for sale "would be a disaster."

Meanwhile, a former employe of NHTSA is willing to take the commercial risk but he is waiting for data on the rest of the '82 models — said to become available around the end of the year.

At the 9th Experimental Safety Vehicle meeting in Kyoto, Japan, recently, NHTSA officials announced that the fallout from the first phase of the program—"gained at a minimal cost to the government and taxpayers since it is primarily an add-on to a scheduled compliance test program" — has been so worthwhile that the second phase is planned.

The program is not only to be continued but all '83 models scheduled for compliance testing for Standards 212, 219 and 301 — windshield and fuel system integrity—will be tested at 35 MPH—five MPH higher and with 34 percent greater energy absorption than required by any safety standard.

The preliminary list of those vehicles includes: Buick Riviera convertible, Chevrolet Cavalier convertible, Ford Mustang convertible, Ford Tempo four-door sedan, Ford Thunderbird coupe, Dodge 600 four-door sedan, AMC/Renault Alliance four-door sedan, Honda Prelude coupe, Isuzu Impulse coupe, Mazda 626 four-door sedan, Mitsubishi Cordia two-door hatchback, Mitsubishi Tredia four-door sedan, Nissan Pulsar four-door hatchback, Toyota Camry (front-wheel version of the Corona) four-door sedan, Toyota Tercel four-door hatchback, Volvo 760 GLE four-door sedan, BMW 320 four-door sedan, Ford LTD four-door sedan, Chevrolet Caprice four-door sedan, Buick Century four-door sedan, Mercury Capri two-door fastback and Peugeot 505 four-door sedan.

At the meeting in Kyoto, NHTSA engineer James Hackney announced the agency was considering test devices and procedures to assess new models for their side impact crashworthiness.

The cooperative research NHTSA plans with the domestic car companies and their counterparts in Europe and Japan should lead to agreement on a dummy and a standardized deformable barrier. First results in this area may be announced next February at the SAE meeting in Detroit.

While the dummy developed by the Highway Safety Research Institute at the University of Michigan has been chosen for an interim test device,

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Griskivich gets highway safety post

WASHINGTON. — Peter Griskivich, vice president and director of the MVMA's Motor Truck Manufacturing Division, has been named chairman of the National Highway Safety Advisory Committee by Transportation Secretary Drew Lewis.

Griskivich, a Washington resident, chaired a meeting of the 35-member council, which was held Dec. 8-10 in Washington.

Peugeot marks 25 years in the U. S.

The 1983 Peugeot 505 S Silver Edition is a limited-edition model that marks Peugeot's 25th year in America. Available in fuel-injected gasoline and turbocharged diesel versions, it is finished in a rich silver metallic paint. Only 1,500 will be produced.

But that poses problems for U. S. products

VWoA recovery plan: Specialty cars

By Kathleen Hamilton
News Editor

Volkswagen of America is betting its low-volume special-series cars will appeal to enough young professionals to offset what it sees as a temporary indifference by Americans toward fuel-efficient cars.

VWoA won't be abandoning the low-price, mass-market Rabbit, but "we will not be the cheapest kid on the block," Volkswagen Division Vice President James R. Fuller said.

James R. Fuller

That's because VWoA will produce cars with features the public demands from German cars—stiff suspensions, quick braking and the like, he said.

In outlining the company's product and marketing strategy to the Detroit Auto Writers Group, Fuller said diesel orders are now taking about 25 percent of production.

That share is expected to grow to up to 30 percent in 1983, when turbocharged diesel engines are introduced for the Rabbit, Quantum and Jetta. Turbodiesels are expected to take about a third of all VWoA's diesel sales, he said.

"We think the reason people didn't buy diesels . . . was that they were not willing to contend with their performance" once gasoline became plentiful and its price disadvantage to diesel fuel disappeared, he said.

Many of the changes the market has wrought in this four-year slump are not just blips, but "fundamental structural changes," Fuller predicted. Three-year buying cycles have gone the way of the dinosaur, he said.

"People are going to buy cars when they break down.

Customers are planning to keep their vehicles longer; therefore, they are looking for longer-lasting, higher-quality, more-utilitarian vehicles much like Europeans do, according to this theory.

If it proves true, the high mileage, combined with the performance — and, hinted Fuller, the price — of the VW turbodiesels, should appeal to the long-range planning strategy of many buyers.

About 30 percent of VWoA's orders are for the new high-performance Rabbit GTI, Fuller said. The company will add zip to other models early in 1983, with the introduction of a water-cooled engine for the Vanagon van and by offering the 1.8-liter Audi 5-cylinder engine for the Quantum and Scirocco.

VWoA is giving advertising

Continued on Page 7, Col. 4

Service Index drops, but stays ahead of '81

By Francis J. Gawronski
Service Editor

The rate of growth of service and parts business in new-car dealerships in October dipped 5.6 percentage points below the pace recorded the previous month, but it amounted to 103.2 percent of the business registered in the same month last year, according to the Automotive News Service Index.

The increase in October was the second lowest of 1982. The low for the year was recorded in July, when service and parts volume amounted to 100.3 percent of the business for the year-earlier month.

Although the rate of growth slowed, October marked the 20th consecutive month that the Service Index has shown an increase over the year-earlier month.

In October, four of the five indicators used to track service and parts business scored gains. The only one that dipped was repair orders written, which declined 2.8 percent below the number written in October, 1981.

The leading indicator was sales of parts and accessories, up 7.0 percent, followed by shop parts sales (those used on both customer-paid and warranty work), up 5.6 percent above the year-ago figure.

Gross profit on all labor, parts and accessory sales—the most important indicator from the dealers' viewpoint—was up 3.7 percent, while total labor sales (both customer-paid and warranty) were up 1.7 percent over the volume of the same month a year ago.

Figures used in the Service Index are averages compiled from replies on shop business from a cross-section of the nation's new-car dealers.

For the 10-month period of 1982, dealers' shop volume amounted to 108.0 percent of the volume reported for the corresponding period of 1981.

The leading indicator for the January-October period was shop parts sales, up 11.9 percent, followed closely by sales of all parts and accessories, up 11.4 percent.

Gross profit was up 10.0 percent, while total labor sales climbed 8.2 percent for the period. Repair orders written were down 5.0 percent.

SERVICE INDEX
103.2*

	Oct., '82 vs. Oct., '81	10 mos., '82 vs. 10 mos., '81
Gross Profit on All Labor and P&A Sales	+ 3.7%	+10.0%
Repair Orders Written	− 2.8%	− 5.0%
Total Labor Sales (Customer & Warranty)	+ 1.7%	+ 8.2%
Shop Parts Sales (Customer & Warranty	+ 5.6%	+11.9%
Sales of All Parts and P&A	+ 7.0%	+11.4%

*—Survey by Automotive News shows that dealers' service and parts business in Oct., 1982, was 103.2 percent of business in Oct., 1981. Service business in the 10 months of 1982 was 108.0 percent of business in the corresponding period in 1981.

New models to debut Feb. 17

1983 Thunderbird, Cougar detailed

By Roger Rowand
Engineering Editor

DEARBORN.—A Ford Motor Co. engineer disclosed fuel economy and performance figures for the Thunderbird/Cougar due for introduction Feb. 17.

Henry A. Nickol, chief power train and chassis engineer, discussed the cars at a regional meeting of the SAE here.

They will be offered with any of three engines—four, six and eight-cylinder — two types of automatic transmissions and, for the first time since 1960, a manual gearbox.

What Nickol called high-technology powertrain features for the line includes a new on-board computer, fuel injection and turbocharging.

He said a buyer looking for that high-tech equipment will find it in Thunderbird/Cougar with the optional 2.3-liter, four-cylinder turbocharged engine with electronic fuel injection and the five-speed manual with overdrive.

He said that car will go from zero to 60 MPH in 8.9 seconds. That compares with 9.3 seconds for the Porsche 924 turbo and 10.0 seconds for the Saab 900 Turbo, he said.

Fuel economy, not yet certified by the EPA, is 21 MPG city and 33 MPG highway, Nickol said.

The 5.0-liter V-8 with automatic overdrive will deliver zero to 60 in 10.9 seconds with 18 MPG in the city and 28 MPG on the highway.

With the standard 3.8-liter V-6 and standard three-speed automatic transmission with lock-up torque converter, zero to 60 is 13.9 seconds with fuel economy of 21 MPG city and 29 highway.

With the optional four-speed manual with overdrive, zero to 60 MPH is 12.8 seconds and mileage is 20 MPG city and 32 highway, he said.

Thunderbird and Cougar originally were to be introduced in mid-January. Delays were caused chiefly by the company's reluctance to man-up for an episode of rushing which would be followed by layoffs, President Donald E. Petersen has said.

Initially the cars will be built in Lorain, O. Later, Thunderbird will be built at Atlanta as well.

Defense seeks mass of data from U. S.

DeLorean trial delayed; new date is April 19

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES. — The trial of John Z. DeLorean, who is charged along with two others in Federal District Court here with conspiracy to possess and distribute cocaine, has been moved to April 19 from January 7 by Judge Robert M. Tagasuki.

DeLorean and co-defendant William Morgan Hetrick are also scheduled to appear before Tagasuki this week for a bail reduction hearing.

DeLorean is free on a $10 million bond secured by his property in New York, New Jersey and Southern California. Hetrick remains jailed in lieu of a $20 million bond.

The third defendant, William Arrington, also remains in custody under a $250,000 bond.

The trial was rescheduled to allow additional time for the filing of pretrial motions and hearings on those motions. Earlier, attorneys for DeLorean had filed wide-ranging discovery motions that will take the government some time to answer.

In those motions, DeLorean's attorneys are seeking to determine the credibility of the government's main informant, James Timothy Hoffman, as well as how much the government told outsiders of the investigation that resulted in the arrest of the trio on the drug charges in October.

Hoffman has been identified as the "cooperating individual" who allegedly introduced DeLorean to Hetrick. The discovery request not only asks for all documents pertaining to Hoffman in the DeLorean case, but in other cases in which Hoffman has testified either as a defendant or a government witness.

• The DeLorean defense team is also looking for government records pertaining to any contacts the FBI or the Drug Enforcement Agency (DEA) may have had with the British government or the receiver for DeLorean Motor Co., Ltd.

Another request seeks similar information regarding government contacts with any individuals who were considering giving any type of financing or funding to DeLorean's ailing car company.

The motions include 48 separate requests for specific information regarding identities of undercover agents and informants, notes, videotapes, telephone logs and recordings resulting from DeLorean's meetings with undercover agents as well as from similar meetings conducted between agents and informants.

DeLorean's attorneys also want to know why Eureka Federal Savings and Loan Assn. was used in the operation and the nature of contacts between the financial institution and the government.

The discovery motions also seek information regarding the extent of involvement of James P. Walsh, the assistant U. S. attorney prosecuting the case, in the investigation and whether he "personally authorized a 'sting' operation directed against defendants John Z. DeLorean or William Morgan Hetrick or both."

Bugas among Ford's top executives in '47

John S. Bugas, second from left, was among Ford Motor Co.'s top executives seated around Henry Ford II, fourth from left, in April, 1947. Others, from left, are John R. Davis, Benson Ford, Ernest R. Breech, Albert J. Browning, Harold T. Youngren and Lewis D. Crusoe.

John S. Bugas dies; postwar Ford giant

DETROIT. — John S. Bugas, a key figure in the reorganization of Ford Motor Co. following the bitter power struggle between Henry Ford II and Harry Bennett in the mid-1940s, died Dec. 2, a week after undergoing heart surgery. He was 74.

Mr. Bugas retired in 1968 after nearly 25 years with Ford as an executive, officer and director. At the time he left, he was a vice president and consultant, reporting directly to Henry Ford II.

"John Bugas was one of my closest and dearest friends," said Ford. "His death is a tremendous loss to me personally. He, Mead Bricker and John R. Davis played key roles with me in reorganizing Ford Motor Co. in September, 1945."

Mr. Bugas was chief of the FBI's Detroit office when he was hired by Bennett in 1944. Bennett was impressed by the FBI executive's firm moves against thefts, bootlegging and black-marketing at the huge Ford-operated war plant in Willow Run.

• After Mr. Bugas fired a Bennet protege, his relationship with Bennett rapidly cooled. Subsequently, Henry Ford II turned to Mr. Bugas as an ally in his bid to wrest control of the company from Bennett, who was hired years earlier by Henry Ford I and eventually became the founder's closest confidant.

Henry Ford II had been released from Navy service in 1943 after the death of his father, Edsel, with whom Bennett long had been at odds.

After his grandfather reluctantly yielded the presidency of the company and gave him a "free hand" to make any changes, young Henry dismissed Bennett.

Bennett blamed Mr. Bugas for his firing and the rise of Henry Ford II to the top. "He called me every name in the book, and he knew them all," Mr. Bugas later recalled.

After the change in command, Mr. Bugas became director of industrial relations late in 1945, and for the next 14 years he gained a wide reputation in the field of labor relations.

Mr. Bugas directed the company's industrial relations activities, ranging from labor negotiations to employe services and company-wide personnel programs.

In 1946, Mr. Bugas became a company vice president and he

Continued on Page 35, Col. 1

Two ships carry 1,028 autos and stock of parts

Final DeLorean cars head for U.S.

By Edward Lapham
Financial Editor

The last two boatloads of DeLorean sports cars are on the water, due to arrive at Baltimore later this month.

Sol A. Shenk, president of Consolidated International, Inc., Columbus, O., told AUTOMOTIVE NEWS last week that 1,028 cars and a "very large supply of parts" are en route to the U. S.

"We have acquired, in most cases, a five-year supply of parts, and in some cases a lifetime supply," Shenk said. "Even after all of the cars are liquidated, we intend to stay in the DeLorean parts business."

He said that of the 649 cars his company acquired in the U. S., about 300 have been sold. "They've all been sold to dealers," Shenk said. "I am selling cars and parts only to dealers because that is the ethical way to do it and I am an ethical businessman. We are positively not selling to individuals."

Shenk said he has not raised prices on either parts or cars.

"We have maintained the same price schedules the DeLorean Motor Co. was using the last 10 months or so," he said.

"We also have the parts people and parts facility in Irvine, Calif., so really, we've just picked up where DMC left off."

As previously reported, Jack Rakes, former DMC vice president, has joined Consolidated as vice president and director of Eastern operations, essentially a job parallel to his DMC position.

In addition, Jock Ferer, also a former DMC vice president, has joined Consolidated as vice president and director of Western operations, also virtually the same job he held at DMC.

Other former DMC employes who have joined Consolidated include Jack Wong and David Allen, both district managers, and Doug Semer, Western area service director and technical specialist.

Shenk said DMC dealers are reporting they are still getting a premium for the cars. "That's very good," he said. "I hope they can get as much as possible — they've had some very tough years."

He said he still "has people in Northern Ireland studying the possibility" of exercising an option which would allow him to reopen the Dunmurry plant.

"I would estimate that within six to eight months the cars will all be gone unless somebody or ourselves opens the plant," Shenk said.

"Right now that seems a very remote possibility."

VW beats auto rivals to Red China assembly

By Richard Feast
European Editor

WOLFSBURG, West Germany. —Volkswagen has beaten the world's other auto makers to an agreement for car assembly in the People's Republic of China.

It is believed to be the first deal with Red China on passenger cars, and it was achieved in the face of strong competition from major manufacturers in Europe and Japan.

The reaction from those who lost out—among them, Fiat, Renault, Citroen and Toyota — is that the Chinese have been playing them off against each other to learn about the latest technology.

The basic agreement, signed Nov. 29, calls for assembly of 20,000 Santana sedans and production of up to 100,000 engines annually, beginning in 1988. The surplus engine output would be supplied to other VW factories around the world in order to obtain foreign exchange to help finance the deal.

Discussions on the financial structure of the joint venture are continuing and decisions are expected by the end of next summer.

It is believed that the basic formula will find Volkswagen owning 50 percent, Shanghai Tractor & Automobile Corp. owning 35 percent and the Bank of China owning 15 percent.

Just how large the capitalization will be will depend on a review of the Shanghai company's production facilities.

Volkswagen's project team,

Continued on Page 7, Col. 3

Bendix, Yaskawa sign robot pack

SOUTHFIELD, Mich. — Bendix Robotics Division has reached an agreement with Yaskawa Electric Mfg. Co. covering distribution and development of robots.

Bendix has been in the robot business for about one year and makes large-capacity robots. Yaskawa is Japan's largest robot producer with a line of lighter machines.

Initially, Bendix will distribute three Yaskawa robots in this hemisphere. It also will cooperate in a technology exchange and in developing new robots, Bendix said.

Lowry is appointed controller of Crain

Jack Lowry has been named corporate controller of Crain Communications, Inc., owner of AUTOMOTIVE NEWS.

He will be based in Detroit which has been selected as the site for the Crain corporate accounting department now in Chicago.

Jack Lowry

It will be moved on a gradual basis after the first of the year. By mid-1983 there will be about 25 working in corporate accounting and in data processing.

Lowry holds a masters degree in business administration from the University of Michigan where he also earned a bachelors degree in industrial engineering.

He worked in the Detroit office of Arthur Andersen & Co., a Big Eight certified public accounting firm, for eight years. Just before joining Crain, he was finance manager for a Detroit construction firm.

Lowry, 35, lives with his wife, Pamela, and their son and daughter in West Bloomfield, Mich.

NADA sets up convention hotline

WASHINGTON. — Effective Dec. 1, NADA will inaugurate a national, toll-free 24-hour telephone hotline with a recorded NADA convention update message.

The NADA Convention Newsline, in a two-minute recorded message, will provide callers with up-to-the-minute information on the convention activities, speakers and workshops. The toll-free number is: 1-800-241-0336. The NADA convention will be held Feb. 12-15 in Las Vegas.

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